

City of Ketchikan, Alaska
Ketchikan Public Utilities Fund
Comparative Schedules of Revenues
For the Years Ended December 31, 2016 and 2015

	2016		2015	
	Amount	Total	Amount	Total
Electric Department				
Revenue from Services:				
Residential	\$7,127,462		\$6,752,943	
Boats	318,082		279,072	
Commercial	6,846,651		6,584,210	
Industrial	1,795,059		1,784,436	
Demand	495,104		507,363	
Area Lighting	53,056		50,076	
Street Lighting	129,912		129,143	
Diesel Surcharge	-	\$16,765,326	4	\$16,087,247
Other Revenue:				
Service Charges	113,836		110,341	
Late Payment Charges	76,881		67,244	
Rentals - Interdepartmental	142,397		154,217	
Other	37,383	370,497	18,469	350,271
Total Electric		17,135,823		16,437,518
Telecommunications Department				
Local Network Services:				
Basic Local Service	988,060		857,251	
Local Private Line	917,059		869,780	
Other Local Exchange	177,811	2,082,930	303,624	2,030,655
Network Access Services:				
Interstate End User	874,220		966,265	
Switched Access	4,985,811		5,197,862	
Special Access	1,667,345		1,746,940	
State Access	1,399,924	8,927,300	1,502,254	9,413,321
Other Revenues:				
Directory Revenue	275,724		293,681	
Other	99,052	374,776	168,145	461,826
Nonregulated Revenues	7,078,617	7,078,617	5,596,871	5,596,871
Total Telecommunications		\$ 18,463,623		\$ 17,502,673

City of Ketchikan, Alaska
Ketchikan Public Utilities Fund
Comparative Schedules of Revenues (Cont'd)
For the Years Ended December 31, 2016 and 2015

	2016		2015	
	Amount	Total	Amount	Total
Water Department				
Revenue from Services:				
Residential	\$1,632,301		\$1,521,500	
Apartments	351,241		327,663	
Commercial	1,275,949		1,208,718	
Industrial	233,375		236,283	
Port	154,725	\$3,647,591	159,075	\$3,453,239
Other Revenue:				
Service Charges	739		711	
Late Payment Charges	19,709		16,897	
Other	53,434	73,882	31,331	48,939
Total Water		3,721,473		3,502,178
Total Revenue		\$39,320,919		\$37,442,369

City of Ketchikan, Alaska
Ketchikan Public Utilities Fund
Comparative Schedules of Operation and Maintenance Expenses
For the Years Ended December 31, 2016 and 2015

	2016		2015	
	Amount	Total	Amount	Total
Electric Department				
Hydroelectric Generation				
Operation				
Supervision & Engineering	\$1,075,710		\$1,030,176	
Hydraulic Expenses	54,708		61,380	
Electric Expenses	10,195	1,140,613	13,506	1,105,062
Maintenance				
Structures	82,522		83,391	
Reservoirs & Dams	257,748		190,900	
Electric Plant	158,830		118,503	
Other	167,626	666,726	161,302	554,096
Total Hydroelectric Generation		1,807,339		1,659,158
Diesel Generation				
Operation				
Fuel	189,117		244,621	
Generation	11,754		14,666	
Other	490,161	691,032	469,593	728,880
Maintenance				
Supervision and Engineering	118,808		110,130	
Structures	35,131		47,550	
Electric Plant	144,582		148,403	
Other	209,046	507,567	154,851	460,934
Total Diesel Generation		1,198,599		1,189,814
Purchased Power		6,247,593		5,381,319
Automation Control System		342,325		288,903
Total Generation		9,595,856		8,519,194
Transmission				
Operation				
Overhead and Underground Lines	\$2,899	2,899	\$580	580
Total Transmission		\$2,899		\$580

City of Ketchikan, Alaska
Ketchikan Public Utilities Fund
Comparative Schedules of Operation and Maintenance Expenses (Cont'd)
For the Years Ended December 31, 2016 and 2015

	2016		2015	
	Amount	Total	Amount	Total
Distribution				
Operation				
Supervision & Engineering	\$943,678		\$921,752	
Station Equipment	8,278		4,796	
Overhead & Underground Lines	1,031		1,025	
Street Lighting	148,765		155,652	
Meter Expenses	563,700		558,465	
Customer Installations	465		2,322	
Other	24,738	\$1,690,655	47,085	\$1,691,097
Maintenance				
Station Equipment	42,445		24,225	
Overhead & Underground Lines	1,310,557		1,330,831	
Line Transformers	17,085		3,318	
Other	123,537	1,493,624	93,202	1,451,576
Total Distribution		3,184,279		3,142,673
Total Electric		12,783,034		11,662,447
Telecommunications Department				
Plant Specific Operations:				
Network Support	212,056		207,379	
General Support	120,152		99,301	
Central Office Switching	661,662		461,592	
Central Office Transmission	1,274,803		1,210,885	
Cable and Wire Facilities Expense	709,946	2,978,619	723,929	2,703,086
Plant Nonspecific Operations				
Network Operations Expense	2,557,999	2,557,999	2,512,650	2,512,650
Customer Operations				
Customer Operations-Services	121,319	121,319	107,807	107,807
Nonregulated Operations Expenses	\$4,984,369	4,984,369	\$4,777,891	4,777,891
Total Telecommunications		\$10,642,306		\$10,101,434

City of Ketchikan, Alaska
Ketchikan Public Utilities Fund
Comparative Schedule of Operation and Maintenance Expenses (Cont'd)
For the Years Ended December 31, 2016 and 2015

	2016		2015	
	Amount	Total	Amount	Total
Water Department				
Source of Supply				
Operation and Maintenance	\$393,959	\$393,959	\$423,407	\$423,407
Chlorination				
Labor and Supplies	134,041		145,201	
Maintenance	131,465	265,506	110,197	255,398
Distribution				
Supervision & Operation of Mains	-		6,292	
Maps & Records	427,634		403,584	
Customer Service	1,341	428,975	-	409,876
Maintenance				
Mains & Equipment	417,652		682,304	
Hydrants	7,173		4,697	
Valves & Structures	18,249		23,608	
Pump Stations	102,723		104,875	
PH Adjustment Facility	402,860		331,947	
Reservoirs	\$21,110	969,767	\$26,840	1,174,271
Total Water		2,058,207		2,262,952
Total Operation and Maintenance		\$25,483,547		\$24,026,833

City of Ketchikan, Alaska
Ketchikan Public Utilities Fund
Comparative Schedules of Administrative and General Expenses
For the Years Ended December 31, 2016 and 2015

	2016	2015
Customer Service	\$2,012,355	\$1,992,754
General Accounting	811,377	799,213
Administrative Expenses	2,094,112	2,157,276
Engineering Services	104,100	99,069
Information Technology	574,805	630,572
Insurance & Claims	196,971	196,600
Total	\$5,793,720	\$5,875,484

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City of Ketchikan, Alaska
Port Fund
Comparative Statements of Net Position
December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets		
Current assets		
Cash and temporary investments	\$ 7,957,557	\$ 6,420,791
Restricted cash, cash equivalents and investments:		
Debt service	185,935	824,743
Accounts receivable	490,885	408,450
Prepaid expense	1,026,946	1,113,090
Total Current assets	<u>9,661,323</u>	<u>8,767,074</u>
Noncurrent assets		
Restricted investments:		
Repair and replacement investments	4,649,770	4,192,162
Bond reserve investments	2,240,000	2,560,597
Accrued interest on bond reserve investments		4,990
Total restricted assets	<u>6,889,770</u>	<u>6,757,749</u>
Internal Receivable	<u>2,700,000</u>	<u>2,700,000</u>
Capital assets		
Land	1,775,740	1,775,740
Other non-depreciable assets	169,361	169,361
Construction work in progress	374,566	439,032
Port facilities	67,387,096	66,612,660
Accumulated depreciation	(17,087,457)	(15,623,409)
Total capital assets (net of accumulated depreciation)	<u>52,619,306</u>	<u>53,373,384</u>
Total noncurrent assets	<u>62,209,076</u>	<u>62,831,133</u>
Deferred outflows of resources	<u>125,721</u>	<u>42,389</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 71,996,120</u>	<u>\$ 71,640,596</u>

City of Ketchikan, Alaska
Port Fund
Comparative Statements of Net Position
December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Liabilities		
Current liabilities		
Accounts payable	\$ 228,107	\$ 75,900
Accrued interest payable	113,555	139,674
Compensated absences payable	3,129	3,351
Unamortized premiums	202,584	28,561
Revenue bonds payable	895,000	930,000
Total current liabilities	<u>1,442,375</u>	<u>1,177,486</u>
Noncurrent liabilities		
Compensated absences payable	28,157	30,159
Net pension liability	620,884	449,932
Unamortized bond premium	3,629,634	540,278
Revenue bonds payable	26,130,000	30,845,000
Total noncurrent liabilities	<u>30,408,675</u>	<u>31,865,369</u>
Deferred inflows of resources	<u>535,958</u>	<u>7,966</u>
Total Liabilities and Deferred Inflows of Resources	<u>32,387,008</u>	<u>33,050,821</u>
Net position		
Net investment in capital assets	21,233,051	21,029,545
Restricted repair and replacement funds	4,720,568	4,192,162
Restricted for bond retirement	2,312,381	3,250,656
Unrestricted	11,343,112	10,117,412
Total net position	<u>39,609,112</u>	<u>38,589,775</u>
Total Liabilities and Net Position	<u>\$ 71,996,120</u>	<u>\$ 71,640,596</u>



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City of Ketchikan, Alaska
Port Fund
Comparative Statements of Revenues, Expenses and
Changes in Net Position
For the Years Ended December 31, 2016 and 2015

	2016	2015
Operating Revenues		
Charges for services		
Docking	\$1,771,371	\$1,782,260
Passenger wharfage fee	6,482,367	6,504,788
Rental income	402,468	403,493
Water	206,300	212,200
Other	98,735	129,530
Total Operating Revenues	<u>8,961,241</u>	<u>9,032,271</u>
Operating Expenses		
Operation and maintenance		
Personnel services	1,134,984	1,080,838
Supplies and services	489,328	492,906
Financial service	183,243	167,018
Insurance	241,266	180,650
Utilities	219,186	277,294
Property Taxes	165,385	165,399
Lease payments	2,483,596	2,271,974
Depreciation	1,605,242	1,589,941
Total Operating Expenses	<u>6,522,230</u>	<u>6,226,020</u>
Operating Income	<u>2,439,011</u>	<u>2,806,251</u>
Non-Operating Revenues (Expenses)		
Operating grants	16,004	70,425
Interest earnings	186,539	87,016
Interest expense	(1,665,360)	(1,658,179)
Debt refunding costs	(234,304)	-
Loss on disposal of capital assets	(436,699)	(27,082)
Total Non-Operating Revenue (Expenses)	<u>(2,133,820)</u>	<u>(1,527,820)</u>
Net Income Before Contributions, Capital Grants, Extraordinary Item and Transfers	305,191	1,278,431
Contributions and Capital Grants		
Capital grants	654,642	277,647
Total Contributions and Capital Grants	<u>654,642</u>	<u>277,647</u>
Net Income Before Extraordinary Item and Transfers	959,833	1,556,078
Extraordinary Item- Gain on Impairment of an Asset	359,246	-
Net Income Before Transfers	1,319,079	1,556,078
Transfers In and (Out)		
Transfer from general fund	19,258	
Payment in lieu of taxes to general fund	(319,000)	(319,000)
Transfer to commercial passenger vessel tax fund	-	(1,619,258)
Total Transfers In and (Out)	<u>(299,742)</u>	<u>(1,938,258)</u>
Total Grants and Transfers	<u>335,642</u>	<u>(41,353)</u>
Change in Net Position	1,019,337	(382,180)
Net Position Beginning of Year	<u>38,589,775</u>	<u>38,971,955</u>
Net Position End of Year	<u>\$39,609,112</u>	<u>\$38,589,775</u>

City of Ketchikan, Alaska
Port Fund
Comparative Statements of Cash Flows
For the Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Cash Flows from Operating Activities		
Cash received from customers and users	\$ 9,181,875	\$ 8,877,459
Cash payments to employees for services	(1,034,629)	(936,608)
Cash payments to suppliers for goods and services	(3,726,053)	(3,700,936)
Net Cash Provided by Operating Activities	<u>4,421,193</u>	<u>4,239,915</u>
Cash Flows from Noncapital Financing Activities		
Operating grant from other governments	16,004	70,425
Transfer in	19,258	-
Transfers out	-	(1,619,258)
Payment in lieu of taxes to the general fund	(319,000)	(319,000)
Net Cash Used by Noncapital Financing Activities	<u>(283,738)</u>	<u>(1,867,833)</u>
Cash Flows from Capital and Related Financing Activities		
Loss on disposal of capital asset	436,699	27,082
Capital grant received from other governments	836,408	119,341
Principal paid on revenue bonds	(1,540,000)	(885,000)
Interest paid on revenue bonds	(1,780,067)	(1,691,087)
Payments for capital acquisitions and construction	(1,247,055)	(362,529)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(3,294,015)</u>	<u>(2,792,193)</u>
Cash Flows from Investing Activities		
Investment earnings	191,529	191,710
Sale of investments	320,597	32,189
Purchase of investments	(457,608)	(527,551)
Net Cash Used by Investing Activities	<u>54,518</u>	<u>(303,652)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	897,958	(723,763)
Cash and Cash Equivalents Beginning of Year	<u>7,245,534</u>	<u>7,969,297</u>
Cash and Cash Equivalents End of Year	<u>\$ 8,143,492</u>	<u>\$ 7,245,534</u>
Reconciliation of Cash and Cash Equivalents to the Balance Sheet:		
Cash and temporary investments - current assets	7,957,557	6,420,791
Revenue bond redemption fund - restricted	185,935	824,743
	<u>\$ 8,143,492</u>	<u>\$ 7,245,534</u>

(continued)

City of Ketchikan, Alaska
Port Fund
Comparative Statements of Cash Flows
For the Years Ended December 31, 2016 and 2015

(continued)

	<u>2016</u>	<u>2015</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities		
Operating Income	\$ 2,439,011	\$ 2,806,251
Adjustments:		
Depreciation	1,605,242	1,589,941
Other		
(Increase) Decrease in Assets and Deferred Outflows of Resources:		
Accounts receivable	220,635	(154,812)
Prepaid expenses	86,144	(91,744)
Deferred outflow	(83,332)	(27,818)
Increase (Decrease) in Liabilities and Deferred Inflows of Resources:		
Accounts payable	(14,189)	16,474
Compensated absences payable	(2,225)	2,207
Net pension liability	170,952	91,450
Deferred inflow	(1,045)	7,966
Net Cash Provided by Operating Activities	<u>\$ 4,421,193</u>	<u>\$ 4,239,915</u>
 Noncash investing, capital and financing activities		
Fair value of non-cash investments	\$ (45,543)	\$ 60,314

City of Ketchikan, Alaska
Wastewater Services Fund
Comparative Statements of Net Position
December 31, 2016 and 2015

	2016	2015
Assets		
Current assets		
Cash and temporary investments	\$ 2,161,049	\$ 1,614,382
Restricted cash, cash equivalents and investments:		
Debt service	24,211	54,520
Accounts receivable		
Accounts	160,916	165,164
Unbilled revenue	152,258	133,612
Total current assets	<u>2,498,434</u>	<u>1,967,678</u>
Noncurrent assets		
Capital assets		
Construction work in progress	1,564,594	347,850
Wastewater facilities	24,670,332	24,659,337
Accumulated depreciation	(8,230,274)	(7,782,065)
Total capital assets (net of accumulated depreciation)	18,004,652	17,225,122
Total noncurrent assets	<u>18,004,652</u>	<u>17,225,122</u>
Deferred outflow of resources	34,810	12,206
Total Assets and Deferred Outflows of Resources	<u>\$ 20,537,896</u>	<u>\$ 19,205,006</u>
Liabilities		
Current liabilities		
Accounts payable	\$ 1,072,006	\$ 62,367
Accrued interest	5,418	36,107
Compensated absences payable	2,301	3,466
General obligation bonds payable	97,983	96,531
Revenue bonds payable	13,961	13,752
Total current liabilities	<u>1,191,669</u>	<u>212,223</u>
Noncurrent liabilities		
Compensated absences payable	20,712	31,196
Net pension liability	171,906	124,574
General obligation bonds payable	1,777,512	1,875,495
Revenue bonds payable	254,204	268,163
Total noncurrent liabilities	<u>2,224,334</u>	<u>2,299,428</u>
Deferred inflow of resources	1,916	2,205
Total Liabilities and Deferred Inflow of Resources	<u>3,417,919</u>	<u>2,513,856</u>
Net position		
Net investment in capital assets	15,860,992	14,971,181
Restricted for bond retirement	18,793	18,413
Unrestricted	1,240,192	1,701,556
Total net position	<u>17,119,977</u>	<u>16,691,150</u>
Total Liabilities and Net Position	<u>\$ 20,537,896</u>	<u>\$ 19,205,006</u>

City of Ketchikan, Alaska
Wastewater Services Fund
Comparative Statements of Revenues, Expenses and
Changes in Net Position
For the Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Operating Revenues		
Charges for services	\$ 2,971,896	\$ 2,757,661
Other	13,608	16,591
Total Operating Revenues	<u>2,985,504</u>	<u>2,774,252</u>
Operating Expenses		
Operation and maintenance		
Personnel services	864,871	822,256
Supplies and services	495,912	581,975
Engineering services	241,050	227,562
Financial service	187,844	199,215
Insurance	23,813	22,318
Utilities	186,919	185,427
Depreciation	448,211	452,045
Total Operating Expenses	<u>2,448,620</u>	<u>2,490,798</u>
Operating Income (Loss)	<u>536,884</u>	<u>283,454</u>
Non-Operating Revenues (Expenses)		
Operating grants	4,432	21,793
Interest earnings	500	170
Interest expense	(32,989)	(49,923)
Loss on disposal of capital asset	-	(142,395)
Total Non-Operating Revenues (Expenses)	<u>(28,057)</u>	<u>(170,355)</u>
Net Loss Before Grants and Transfers	508,827	113,099
Grants and Transfers		
Capital grants	-	170,771
Transfers out - payment in lieu of taxes	(80,000)	(80,000)
Total Grants and Transfers	<u>(80,000)</u>	<u>90,771</u>
Change in Net Position	428,827	203,870
Net Position Beginning of Year, Restated	<u>16,691,150</u>	<u>16,487,280</u>
Net Position End of Year	<u><u>\$17,119,977</u></u>	<u><u>\$16,691,150</u></u>

City of Ketchikan, Alaska
Wastewater Services Fund
Comparative Statements of Cash Flows
For the Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Cash Flows from Operating Activities		
Cash received from customers and users	\$ 2,971,107	\$ 2,745,647
Cash payments to employees for services	(852,081)	(803,212)
Cash payments to suppliers for goods and services	(1,175,781)	(1,194,160)
Net Cash Provided by Operating Activities	<u>943,245</u>	<u>748,275</u>
Cash Flows from Noncapital Financing Activities		
Operating grant from other governments	4,432	21,793
Payment in lieu of taxes to the general fund	(80,000)	(80,000)
Net Cash Used by Noncapital Financing Activities	<u>(75,568)</u>	<u>(58,207)</u>
Cash Flows from Capital and Related Financing Activities		
Capital grant received from other governments	-	810,011
Principal paid on general obligation bonds and equipment contracts	(96,529)	(739,944)
Interest paid on general obligation bonds and equipment contracts	(59,501)	(20,813)
Principal paid on revenue bonds	(13,752)	(13,548)
Interest paid on revenue bonds	(4,177)	(4,381)
Loss of the disposition of capital assets	-	142,395
Payments for capital acquisitions and construction	(177,860)	(211,490)
Net Cash Used by Capital and Related Financing Activities	<u>(351,819)</u>	<u>(37,770)</u>
Cash Flows from Investing Activities		
Investment earnings	500	170
Net Cash Provided by Investing Activities	<u>500</u>	<u>170</u>
Net Increase in Cash and Cash Equivalents	516,358	652,468
Cash and Cash Equivalents Beginning of Year	<u>1,668,902</u>	<u>1,016,434</u>
Cash and Cash Equivalents End of Year	<u><u>\$ 2,185,260</u></u>	<u><u>\$ 1,668,902</u></u>
Reconciliation of Cash and Cash Equivalents to the Balance Sheet:		
Cash and temporary investments - current assets	2,161,049	1,614,382
Revenue bond redemption fund - restricted	24,211	54,520
	<u><u>\$ 2,185,260</u></u>	<u><u>\$ 1,668,902</u></u>

(continued)

City of Ketchikan, Alaska
Wastewater Services Fund
Comparative Statements of Cash Flows
For the Years Ended December 31, 2016 and 2015

(continued)

	<u>2016</u>	<u>2015</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities		
Operating Income	\$ 536,884	\$ 283,454
Adjustments:		
Depreciation	448,211	452,045
(Increase) Decrease in Assets and Deferred Outflows of Resources:		
Accounts receivable	4,249	(17,878)
Unbilled revenue	(18,646)	(10,726)
Deferred outflow	(22,603)	(8,172)
Increase (Decrease) in Liabilities and Deferred Inflows of Resources:		
Accounts payable	(40,243)	22,336
Compensated absences payable	(11,649)	(309)
Net pension liability	47,331	25,320
Deferred inflow	(289)	2,205
Net Cash Provided by Operating Activities	<u>\$ 943,245</u>	<u>\$ 748,275</u>



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INTERNAL SERVICE FUNDS

Self-Insurance Fund - This fund accounts for claims not covered by the City's insurance policies.

Compensated Absences Fund – The fund accounts for the accumulation of resources used to pay for compensated absences of employees accounted for in governmental funds.

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City of Ketchikan, Alaska
Combining Statement of Net Position
Internal Service Funds
December 31, 2016

	<u>Self-Insurance</u>	<u>Compensated Absences</u>	<u>Total Internal Service Funds</u>
Assets			
Current Assets:			
Cash and cash equivalents	\$ 616,454	\$ 1,425,619	\$ 2,042,073
Miscellaneous receivable	49,709	-	49,709
Prepaid insurance	618,050	-	618,050
Total Current Assets	<u>1,284,213</u>	<u>1,425,619</u>	<u>2,709,832</u>
Noncurrent Assets:			
Internal Receivable	600,000	-	600,000
Total Noncurrent Assets	<u>600,000</u>	<u>-</u>	<u>600,000</u>
Total Assets	<u>\$ 1,884,213</u>	<u>\$ 1,425,619</u>	<u>\$ 3,309,832</u>
Liabilities			
Current Liabilities:			
Accounts payable	365	-	365
Compensated absences payable	-	142,562	142,562
Claims payable	143,000	-	143,000
Total Current Liabilities	<u>143,365</u>	<u>142,562</u>	<u>285,927</u>
Noncurrent Liabilities:			
Compensated absences payable (net of current portion)	-	1,283,057	1,283,057
Total Liabilities	<u>143,365</u>	<u>1,425,619</u>	<u>1,568,984</u>
Net Position			
Unrestricted	<u>\$ 1,740,848</u>	<u>\$ -</u>	<u>\$ 1,740,848</u>

City of Ketchikan, Alaska
Combining Statement of Revenues,
Expenses and Changes in Net Position
Internal Service Funds
For the Year Ended December 31, 2016

	Self-Insurance	Compensated Absences	Total Internal Service Funds
Operating Revenues			
Charges for services	\$ 1,233,901	\$ 1,264,137	\$ 2,498,038
Miscellaneous income	106	-	106
Total Revenues	1,234,007	1,264,137	2,498,144
Operating Expenses			
Compensated absences	-	1,264,137	1,264,137
Insurance	1,188,420	-	1,188,420
Claims	45,481	-	45,481
Total Operating Expenses	1,233,901	1,264,137	2,498,038
Operating Income	106	-	106
Non-Operating Revenues			
Investment earnings	24,000	-	24,000
Change in Net Position	24,106	-	24,106
Net Position Beginning of Year	1,716,742	-	1,716,742
Net Position End of Year	\$ 1,740,848	\$ -	\$ 1,740,848

City of Ketchikan, Alaska
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2016

	<u>Self-Insurance</u>	<u>Compensated Absences</u>	<u>Total Internal Service Funds</u>
Cash Flows from Operating Activities			
Cash received from customers and users	\$ 1,234,007	\$ 1,264,137	\$ 2,498,144
Cash payments for insurance and claims	(1,269,576)	-	(1,269,576)
Cash payments for compensated absences	-	(1,245,773)	(1,245,773)
Net Cash Provided (Used) by Operating Activities	<u>(35,569)</u>	<u>18,364</u>	<u>(17,205)</u>
Cash Flows from Investing Activities			
Interest on investments	24,000	-	24,000
Net Cash Provided by Investing Activities	<u>24,000</u>	<u>-</u>	<u>24,000</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(11,569)	18,364	6,795
Cash and Cash Equivalents Beginning of Year	628,023	1,407,255	2,035,278
Cash and Cash Equivalents End of Year	<u>\$ 616,454</u>	<u>\$ 1,425,619</u>	<u>\$ 2,042,073</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities			
Operating Income	\$ 106	\$ -	\$ 106
(Increase) in Assets:			
Accounts receivable	(16,539)	-	(16,539)
Prepaid expenses	(3,330)	-	(3,330)
Increase (Decrease) in Liabilities:			
Accounts payable	(15,806)	-	(15,806)
Compensated absences payable	-	18,364	18,364
Net Cash Provided (Used) by Operating Activities	<u>\$ (35,569)</u>	<u>\$ 18,364</u>	<u>\$ (17,205)</u>

CITY OF KETCHIKAN, ALASKA

(Page 1 of 2)

COMBINED SCHEDULE OF CASH BALANCES - ALL FUNDS

Year Ended December 31, 2016

Cash Balances

Cash in Revenue Bond Redemption Accounts	\$850,418
Cash in Petty Cash Funds	12,770
Cash in Other Accounts	<u>76,839,219</u>

Total Cash

77,702,407

Combined General Fund

General Fund		
Unrestricted Funds	\$7,397,538	
Investigation Funds	137,151	
Sales Tax Hospital Fund	4,792,653	
Sales Tax Public Works Fund	5,897,017	
Economic Development Parking Fund	924,369	
Shoreline Fund	117,403	
Community Grant Fund	<u>20,565</u>	\$19,286,696

Special Revenue Funds

Transient Tax Fund	533,360	
Solid Waste Services Fund	3,039,345	
Ketchikan Boat Harbor Fund	1,315,952	
Bayview Cemetery Fund	124,720	
CPV Fund	1,802,683	
US Marshall Property Seizure Fund	<u>174,097</u>	6,990,157

Capital Project Funds

Major Capital Improvement Fund		
Commercial Passenger Excise Tax Funds	155,881	
Community Facilities Development Fund		
Unrestricted Funds	2,894,708	
Harbor Improvements Fund		
Unrestricted Funds	439,835	
Bond Construction Funds	488,347	
Commercial Passenger Excise Tax Funds	933	
Hospital Construction Fund		
Unrestricted Funds	475,800	
Bond Construction Funds	<u>\$6,282,506</u>	\$10,738,010

CITY OF KETCHIKAN, ALASKA

(Page 2 of 2)

COMBINED SCHEDULE OF CASH AND INVESTMENTS BALANCES - ALL FUNDS (Cont'd)

Year Ended December 31, 2016

Enterprise Funds

Wastewater Service Fund		
Unrestricted Funds	\$2,161,049	
Revenue Bond Redemption Funds	24,211	
Ketchikan Port Fund:		
Unrestricted Funds	7,957,557	
Revenue Bond Redemption Funds	185,935	
Repair & Replacement Funds	4,649,770	
Revenue Bond Reserve Funds	2,240,000	
Ketchikan Public Utilities Fund:		
Unrestricted Funds	19,395,178	
Revenue Bond Redemption Funds	640,271	
Revenue Bond Reserve Funds	<u>1,391,500</u>	38,645,471

Internal Service Funds

Self-Insurance Fund	616,454	
Compensated Absences Fund	<u>\$1,425,619</u>	<u>2,042,073</u>

Total Cash and Investments\$77,702,407

STATISTICAL SECTION

This section of the City of Ketchikan's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<u>Contents</u>	<u>Page</u>
Government-wide Information These schedules contain information that help the reader understand how the City's government-wide financial performance and well-being have changed over time.	159
Financial Trends These schedules contain trend information that help the reader understand how the City's financial performance and well-being have changed over time.	167
Revenue Capacity These schedules present information to help the reader assess the city's most significant local revenue source, property taxes.	173
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	189
Demographic and Economic Information These tables offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place.	195
Operating Information These tables contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the city provides and the activities it performs.	199

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The city implemented GASB Statement 34 in 2003; tables presenting government-wide information include information in that year. The City implemented GASB Statement 44 in 2006; schedules presenting government-wide information include information beginning in that year.



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GOVERNMENT-WIDE INFORMATION

These schedules contain information to help the reader understand how the City's government-wide financial performance and well-being have changed over time.

Net Position by Component.....	Table 1
Changes in Net Position.....	Table 2

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(Un-Audited)

City of Ketchikan, Alaska
Net Position by Component
Last Ten Fiscal Years

	<u>2007</u>	<u>Restated 2008</u>	<u>2009</u>	<u>2010</u>
Governmental activities				
Net investment in capital assets	\$ 100,387,358	\$ 102,795,408	\$ 105,240,716	\$ 109,138,701
Restricted	8,635,185	7,867,366	9,302,674	7,975,618
Unrestricted	<u>24,554,392</u>	<u>24,486,577</u>	<u>22,137,657</u>	<u>21,265,521</u>
Total governmental activities net position	<u>\$ 133,576,935</u>	<u>\$ 135,149,351</u>	<u>\$ 136,681,047</u>	<u>\$ 138,379,840</u>
Business-type activities				
Net investment in capital assets	\$ 65,421,421	\$ 68,944,529	\$ 75,194,012	\$ 78,533,777
Restricted	7,819,498	9,173,772	8,695,571	8,196,207
Unrestricted	<u>26,243,152</u>	<u>28,054,404</u>	<u>23,958,481</u>	<u>26,306,929</u>
Total business-type activities net position	<u>\$ 99,484,071</u>	<u>\$ 106,172,705</u>	<u>\$ 107,848,064</u>	<u>\$ 113,036,913</u>
Primary Government				
Net investment in capital assets	\$ 165,808,779	\$ 171,739,937	\$ 180,434,728	\$ 171,739,937
Restricted	16,454,683	17,041,138	17,998,245	16,171,825
Unrestricted	<u>50,797,544</u>	<u>52,540,981</u>	<u>46,096,138</u>	<u>47,572,450</u>
Total primary government net position	<u>\$ 233,061,006</u>	<u>\$ 241,322,056</u>	<u>\$ 244,529,111</u>	<u>\$ 235,484,212</u>

Table 1

2011	Restated 2012	2013	2014	2015	2016
\$ 118,331,373	\$ 124,187,486	\$ 123,952,440	\$ 143,909,094	\$ 154,659,112	\$ 162,340,844
8,010,280	7,668,494	8,148,212	8,922,032	12,933,820	10,730,407
22,791,652	20,015,992	19,781,991	19,246,474	7,410,053	8,230,968
<u>\$ 149,133,305</u>	<u>\$ 151,871,972</u>	<u>\$ 151,882,643</u>	<u>\$ 172,077,600</u>	<u>\$ 175,002,985</u>	<u>\$ 181,302,219</u>
\$ 88,231,320	\$ 101,715,542	\$ 118,874,119	\$ 124,479,056	\$ 124,231,729	\$ 125,126,654
8,431,062	8,624,752	9,098,473	11,494,674	10,116,562	9,010,568
27,164,343	27,346,998	30,740,061	28,552,851	26,735,278	27,051,782
<u>\$ 123,826,725</u>	<u>\$ 137,687,292</u>	<u>\$ 158,712,653</u>	<u>\$ 164,526,581</u>	<u>\$ 161,083,569</u>	<u>\$ 161,189,004</u>
\$ 180,434,728	\$ 225,903,028	\$ 242,826,559	\$ 268,388,150	\$ 278,890,841	\$ 287,467,498
17,998,245	16,293,246	17,246,685	20,416,706	23,050,382	19,740,975
49,955,995	47,362,990	50,522,052	47,799,325	34,145,331	35,282,750
<u>\$ 248,388,968</u>	<u>\$ 289,559,264</u>	<u>\$ 310,595,296</u>	<u>\$ 336,604,181</u>	<u>\$ 336,086,554</u>	<u>\$ 342,491,223</u>

(Un-Audited)

City of Ketchikan, Alaska
Changes in Net Position
Last Ten Fiscal Years

	<u>2007</u>	<u>Restated 2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Expenses					
Governmental activities:					
General government	\$ 2,042,750	\$ 2,385,231	\$ 2,103,140	\$ 2,365,376	\$ 1,928,342
Public safety	7,288,610	8,004,100	7,803,886	7,751,934	8,368,059
Culture	2,551,355	3,336,986	2,896,827	2,822,040	2,862,064
Health and welfare	3,975,894	4,011,821	2,947,696	1,875,578	1,272,680
Public works	6,033,515	8,888,160	10,003,285	7,788,434	8,015,271
Harbor	1,642,466	1,639,600	2,066,607	2,057,164	2,169,152
Interest	321,854	296,709	278,749	256,909	478,822
Total governmental activities expenses	<u>23,856,444</u>	<u>28,562,607</u>	<u>28,100,190</u>	<u>24,917,435</u>	<u>25,094,390</u>
Business-type activities					
Ketchikan Public Utilities					
Electric	\$ 15,044,569	\$ 17,331,151	\$ 17,451,474	\$ 16,036,369	\$ 16,141,172
Telecommunications	12,512,416	11,901,997	13,447,338	12,321,547	13,172,392
Water	2,886,251	2,902,139	2,846,215	2,833,765	3,221,650
Ketchikan Port	4,723,553	7,176,395	9,026,767	8,929,902	7,452,615
Wastewater Service	2,013,615	2,297,544	2,583,454	2,228,373	2,401,671
Total business-type activities expenses	<u>37,180,404</u>	<u>41,609,226</u>	<u>45,355,248</u>	<u>42,349,956</u>	<u>42,389,500</u>
Total primary government expenses	<u>\$ 61,036,848</u>	<u>\$ 70,171,833</u>	<u>\$ 73,455,438</u>	<u>\$ 67,267,391</u>	<u>\$ 67,483,890</u>
Program Revenues					
Governmental activities:					
Charges for services:					
Ambulance	\$ 389,500	\$ 434,934	\$ 385,373	\$ 516,049	\$ 521,621
Library services	435,876	436,601	421,585	351,494	381,162
Mental Health & Substance Abuse	472,351	381,844	596,067	140,862	
Solid Waste	2,821,632	2,881,079	2,776,619	2,816,287	2,940,490
Harbor	973,142	1,103,677	1,156,343	1,116,361	1,159,273
Other activities	1,296,568	1,634,340	1,610,935	1,252,815	1,573,835
Operating grants and contributions	1,846,610	2,169,658	1,220,785	963,699	1,173,178
Capital grants and contributions	170,663	375,443	4,125,310	2,840,226	10,529,822
Total governmental activities program revenues	<u>8,406,342</u>	<u>9,417,576</u>	<u>12,293,017</u>	<u>9,997,793</u>	<u>18,279,381</u>
Business-type activities					
Charges for services					
Electric	\$ 14,779,712	\$ 17,699,413	\$ 16,619,118	\$ 15,370,110	\$ 16,223,890
Telecommunications	13,431,826	12,958,489	13,727,676	14,390,486	14,444,541
Water	1,924,163	2,024,614	2,247,801	2,532,659	2,896,152
Port	7,895,063	8,839,267	8,922,228	8,000,492	7,986,404
Wastewater	2,038,361	2,038,287	2,029,614	2,009,767	2,117,793
Operating grants and contributions	126,032	257,948	149,270	111,337	221,076
Capital grants and contributions	3,563,444	4,304,943	2,991,174	5,361,548	9,908,854
Total business-type activities program revenues	<u>43,758,601</u>	<u>48,122,961</u>	<u>46,686,881</u>	<u>47,776,399</u>	<u>53,798,710</u>
Total primary government program revenues	<u>\$ 52,164,943</u>	<u>\$ 57,540,537</u>	<u>\$ 58,979,898</u>	<u>\$ 57,774,192</u>	<u>\$ 72,078,091</u>

Table 2

Restated 2012	2013	2014	2015	2016
\$ 2,290,233	\$ 2,472,898	\$ 2,683,962	\$ 3,212,276	\$ 2,893,754
8,964,646	8,807,683	9,723,428	10,784,857	10,143,345
3,097,918	3,445,959	3,300,295	3,351,076	3,925,120
2,541,686	747,893	1,099,588	1,165,884	116,178
9,423,324	10,840,175	10,373,365	9,341,130	9,152,222
2,154,270	1,851,082	2,192,468	2,297,660	2,047,341
757,879	655,947	1,519,245	2,303,764	2,238,887
29,229,956	28,821,637	30,892,351	32,456,647	30,516,847
\$ 16,790,404	\$ 19,705,332	\$ 17,352,078	\$ 17,074,535	\$ 17,993,703
14,500,244	14,405,757	15,649,634	17,577,826	18,102,186
3,595,668	4,029,711	3,905,078	4,128,011	3,983,398
7,194,938	9,133,140	11,012,311	7,911,281	8,858,593
2,735,348	2,642,018	2,477,247	2,683,116	2,481,609
44,816,602	49,915,958	50,396,348	49,374,769	51,419,489
\$ 74,046,558	\$ 78,737,595	\$ 81,288,699	\$ 81,831,416	\$ 81,936,336
\$ 470,682	\$ 515,158	\$ 606,369	\$ 571,134	\$ 589,985
471,662	666,621	641,607	580,749	588,293
2,948,507	2,851,958	2,907,531	2,809,864	3,142,540
1,250,292	1,191,053	1,247,810	1,329,984	1,475,000
1,431,758	1,204,043	1,236,754	1,454,647	1,300,901
1,153,337	1,562,913	2,444,297	4,124,392	2,704,413
6,878,384	2,736,373	18,050,935	11,913,259	7,692,835
14,604,622	10,728,119	27,135,303	22,784,029	17,493,967
\$ 16,746,615	\$ 18,898,966	\$ 16,300,445	\$ 16,063,847	\$ 16,741,926
14,530,914	15,185,977	16,097,808	17,439,673	18,400,623
2,932,254	3,078,704	3,171,300	3,449,639	3,643,991
8,592,255	9,145,920	8,578,059	9,032,271	8,961,241
2,215,314	2,451,800	2,575,541	2,757,661	2,971,896
2,225,280	2,280,470	2,973,832	630,204	155,750
12,327,627	20,670,211	12,261,064	1,397,000	803,254
59,570,259	71,712,048	61,958,049	50,770,295	51,678,681
\$ 74,174,881	\$ 82,440,167	\$ 89,093,352	\$ 73,554,324	\$ 69,172,648

(Un-Audited)

City of Ketchikan, Alaska
Changes in Net Position (continued)
Last Ten Fiscal Years

	2007	Restated 2008	2009	2010	2011
Net (Expense)/Revenue					
Governmental activities	\$ (15,450,102)	\$ (19,145,031)	\$ (15,807,173)	\$ (14,919,642)	\$ (6,815,009)
Business-type activities	6,578,197	6,513,735	1,331,633	5,426,443	11,409,210
Total primary government net (expense) revenue	\$ (8,871,905)	\$ (12,631,296)	\$ (14,475,540)	\$ (9,493,199)	\$ 4,594,201
Governmental Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	\$ 4,073,391	\$ 4,482,595	\$ 4,634,797	\$ 4,681,027	\$ 4,808,930
Sales taxes	9,663,743	10,441,027	9,568,759	9,477,890	9,883,856
Transient taxes	526,915	449,708	355,729	391,089	377,583
Intergovernmental - unrestricted	701,006	794,368	729,325	810,802	1,137,762
Investment earnings	1,425,411	1,175,583	469,839	157,012	101,754
Contributions of capital assets not restricted	-	-	-	-	-
Miscellaneous	1,209,209	1,316,542	615,419	77,615	161,589
Special Item	-	507,229	-	-	-
Transfers	6,324,169	1,550,395	965,000	1,023,000	1,097,000
Total governmental activities	\$ 23,923,844	\$ 20,717,447	\$ 17,338,868	\$ 16,618,435	\$ 17,568,474
Business-type activities:					
Investment earnings	\$ 1,873,235	\$ 1,214,525	\$ 671,967	\$ 182,542	\$ 132,196
Miscellaneous	442,269	408,670	636,759	602,864	345,406
Special Item	-	102,099	-	-	-
Extraordinary Item	-	-	-	-	-
Transfers	(6,324,169)	(1,550,395)	(965,000)	(1,023,000)	(1,097,000)
Total business-type activities	(4,008,665)	174,899	343,726	(237,594)	(619,398)
Total primary government	\$ 19,915,179	\$ 20,892,346	\$ 17,682,594	\$ 16,380,841	\$ 16,949,076
Change in Net Position					
Governmental activities	\$ 8,473,742	\$ 1,572,416	\$ 1,531,695	\$ 1,698,793	\$ 10,753,465
Business-type activities	2,569,532	6,688,634	1,675,359	5,188,849	10,789,812
Total primary government	\$ 11,043,274	\$ 8,261,050	\$ 3,207,054	\$ 6,887,642	\$ 21,543,277

Table 2 - (Continued)

Restated 2012	2013	2014	2015	2016
\$ (14,625,334)	\$ (18,093,518)	\$ (3,757,048)	\$ (9,672,618)	\$ (13,522,877)
14,753,657	21,796,090	11,561,701	1,395,526	259,192
\$ 128,323	\$ 3,702,572	\$ 7,804,653	\$ (8,277,092)	\$ (13,263,685)
\$ 4,802,508	\$ 5,496,857	\$ 5,513,202	\$ 5,578,404	\$ 5,713,316
10,140,108	10,207,189	10,995,570	11,425,197	11,334,355
358,343	395,867	388,723	515,956	465,956
744,301	522,456	539,771	498,885	354,195
9,488	(2,470)	89,179	94,750	55,273
290,761	219,091	221,756	338,825	233,277
1,105,178	1,265,199	6,203,804	2,804,258	1,165,742
\$ 17,450,687	\$ 18,104,189	\$ 23,952,005	\$ 21,256,275	\$ 19,322,114
\$ 116,989	\$ 5,911	\$ 129,167	\$ 93,966	\$ 194,752
522,859	488,559	326,864	415,801	457,987
				359,246
(1,105,178)	(1,265,199)	(6,203,804)	(2,804,258)	(1,165,742)
(465,330)	(770,729)	(5,747,773)	(2,294,491)	(153,757)
\$ 16,985,357	\$ 17,333,460	\$ 18,204,232	\$ 18,961,784	\$ 19,168,357
\$ 2,825,353	\$ 10,671	\$ 20,194,957	\$ 11,583,657	\$ 5,799,237
14,288,327	21,025,361	5,813,928	(898,965)	\$ 259,192
\$ 17,113,680	\$ 21,036,032	\$ 26,008,885	\$ 10,684,692	\$ 6,058,429



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FINANCIAL TRENDS

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Fund Balances, Governmental Funds	Table 3
Changes in Fund Balances, Governmental Funds	Table 4
Tax Revenues by Source, Governmental Funds	Table 5

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(Un-Audited)

City of Ketchikan, Alaska
Fund Balances, Governmental Funds
Last Ten Fiscal Years

	2007	2008	2009	Restated 2010
General Fund				
Reserved	\$ 804,983	\$ 633,594	\$ 602,723	
Unreserved	4,523,852	4,436,748	4,046,686	
Nonspendable				\$ 391,593
Restricted				
Committed				
Assigned				14,025,344
Unassigned				3,298,478
Total general fund	<u>\$ 5,328,835</u>	<u>\$ 5,070,342</u>	<u>\$ 4,649,409</u>	<u>\$ 17,715,415</u>
All Other Governmental Funds				
Reserved	\$ 3,919,777	\$ 6,516,387	\$ 6,320,258	
Unreserved, reported in:				
Designated				
Special revenue funds	15,715,623	14,173,319	13,577,367	
Capital project funds	5,428,243	2,996,186	4,154,046	
Debt service funds				
Nonspendable				
Restricted				\$ 7,270,633
Committed				455,846
Assigned				7,962,654
Unassigned				
Total all other governmental funds	<u>\$ 25,063,643</u>	<u>\$ 23,685,892</u>	<u>\$ 24,051,671</u>	<u>\$ 15,689,133</u>

This schedule presents the reported fund balances with the implementation of GASB Statement 54 for calendar year 2011, and 2010, as restated. Prior years 2007 through 2009 have not been restated.

Table 3

2011	2012	2013	2014	2015	2016
\$ 382,742	\$ 376,517	\$ 391,977	\$ 418,618	\$ 364,591 137,151	\$ 384,704 137,151
15,834,417 3,271,596	14,323,611 2,606,320	13,347,874 3,350,096	12,696,062 3,723,002	12,706,723 4,187,530	13,406,493 4,083,526
<u>\$ 19,488,755</u>	<u>\$ 17,306,448</u>	<u>\$ 17,089,947</u>	<u>\$ 16,837,682</u>	<u>\$ 17,395,995</u>	<u>\$ 18,011,874</u>
\$ 4,368,168 1,107,501 7,056,295	\$ 2,992,632 7,742,208	\$ 10,857 9,766,365	\$ 46,297,419 8,407,154	\$ 20,843,307 8,109,967 (101,672)	\$ 8,904,447 8,347,861
<u>\$ 12,531,964</u>	<u>\$ 10,734,840</u>	<u>\$ 9,777,222</u>	<u>\$ 54,704,573</u>	<u>\$ 28,851,602</u>	<u>\$ 17,252,308</u>

(Un-Audited)

City of Ketchikan, Alaska
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years

	2007	2008	2009	2010
Revenues				
Taxes	\$ 14,199,771	\$ 15,325,083	\$ 14,525,068	\$ 14,343,068
Licenses and permits	122,275	104,742	90,922	119,522
Intergovernmental	3,109,206	3,704,389	5,553,375	4,515,036
Charges for services	6,083,444	6,494,421	6,520,335	6,050,968
Fines and forfeitures	169,049	284,085	237,599	136,681
Investments earnings	1,134,288	1,159,148	1,495,589	101,960
Contributions			913,284	86,054
Interdepartmental charges	2,663,164	3,001,060	3,029,714	3,048,226
Miscellaneous	1,211,136	1,561,193	592,694	223,768
Total revenues	28,692,333	31,634,121	32,958,580	28,625,283
Expenditures				
General government	\$ 4,158,340	\$ 4,700,644	\$ 4,636,560	\$ 4,635,116
Public safety	7,221,346	8,513,209	7,943,723	9,253,467
Culture	2,342,355	3,458,592	2,705,436	3,704,718
Health and welfare	4,260,761	3,863,755	3,325,151	1,504,139
Public works	7,076,021	9,506,008	11,453,823	9,943,954
Harbor	6,833,930	3,917,652	3,073,447	2,265,892
Debt service				
Interest and fiscal charges	324,357	301,170	283,669	264,280
Principal retirement	563,193	573,038	589,339	575,000
Total expenditures	32,780,303	34,834,068	34,011,148	32,146,566
Excess of revenues over (under) expenditures	(4,087,970)	(3,199,947)	(1,052,568)	(3,521,283)
Other Financing Sources (Uses)				
Sale of capital assets	\$ 114,311	\$ 13,308	\$ 32,414	-
Proceeds of refunded bonds	-	-	-	-
Proceeds from sale of bonds	-	-	-	\$ 7,200,000
Premiums from sale of bonds	-	-	-	1,751
Bond issuance costs	-	-	-	-
Payments to refunded bond agent	-	-	-	-
Capital lease	-	-	-	-
Transfers in	10,133,487	5,855,913	5,682,231	5,277,851
Transfers out	(3,809,318)	(4,305,518)	(4,717,231)	(4,254,851)
Total other financing sources (uses)	6,438,480	1,563,703	997,414	8,224,751
Net change in fund balances	\$ 2,350,510	\$ (1,636,244)	\$ (55,154)	\$ 4,703,468
Debt service as a percentage of noncapital expenditures	3.63%	3.00%	3.18%	3.35%

Table 4

2011	2012	2013	2014	2015	2016
\$ 15,128,079	\$ 15,311,798	\$ 16,085,582	\$ 16,704,419	\$ 17,496,802	17,543,636
276,275	114,480	91,516	97,998	117,705	193,514
12,834,694	8,694,716	4,550,899	20,400,912	14,971,874	6,887,976
6,082,885	6,208,863	6,191,082	6,290,591	6,196,528	6,733,218
159,574	167,553	182,562	266,098	190,911	141,578
208,321	9,488	(2,356)	65,179	70,682	31,167
1,598	74,656	105,505	453,522	1,509,991	509,247
3,175,838	3,395,081	3,149,075	3,150,268	3,180,765	3,141,701
196,281	291,613	407,870	464,539	518,971	246,581
38,063,545	34,268,248	30,761,735	47,893,526	44,254,229	35,428,618
\$ 4,694,767	\$ 5,029,536	\$ 4,914,708	\$ 5,159,975	\$ 5,070,762	4,641,273
15,794,570	11,613,580	8,460,223	9,977,972	9,205,059	8,425,641
4,256,978	11,487,388	3,067,307	3,401,183	3,095,457	3,171,091
1,553,869	2,334,980	457,254	11,745,136	794,591	48,188
9,862,985	10,456,004	11,040,657	15,462,846	8,185,155	7,951,366
3,136,954	2,148,053	3,423,048	7,075,954	1,129,429	1,129,112
454,029	598,624	1,140,000	1,444,671	2,482,562	2,424,300
800,000	930,000	697,856	1,180,000	3,625,000	1,355,000
40,554,152	44,598,165	33,201,053	55,447,737	33,588,015	29,145,971
(2,490,607)	(10,329,917)	(2,439,318)	(7,554,211)	10,666,214	6,282,647
\$ 9,778	\$ 10,795	-	\$ 17,772	\$ 66,691	45,000
-	-	-	-	2,280,000	-
-	4,820,003	-	44,040,000	-	1,765,000
-	414,510	-	2,134,131	101,300	252,887
-	-	-	(166,410)	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,750,515	3,975,430	\$ 3,334,665	\$ 9,009,820	\$ 10,266,639	5,170,750
(1,653,515)	(2,870,252)	(2,069,466)	(2,806,016)	(7,462,381)	(4,005,008)
1,106,778	6,350,486	1,265,199	52,229,297	5,252,249	3,228,629
\$ (1,383,829)	\$ (3,979,431)	\$ (1,174,119)	\$ 44,675,086	\$ 15,918,463	\$ 9,511,276
4.96%	5.20%	6.32%	8.56%	18.55%	15.20%

City of Ketchikan, Alaska
Tax Revenues by Source, Governmental Funds
Last Ten Fiscal Years

Fiscal Year	Real & Personal Property Taxes	Automobile and Boat Taxes	Penalty & Interest	Senior Citizen Local Contribution	Sales Taxes	Transient Taxes	Payment In Lieu of Taxes	Total
2007	4,213,607	88,723	87,502	(290,436)	9,581,723	518,652	-	14,199,771
2008	4,710,269	61,766	82,978	(305,235)	10,330,443	444,862	-	15,325,083
2009	4,845,524	63,588	71,381	(321,800)	9,491,524	366,856	7,995	14,525,068
2010	4,881,901	63,593	120,099	(336,120)	9,217,763	385,286	10,546	14,343,068
2011	4,920,064	76,677	124,146	(346,141)	9,965,173	378,096	10,064	15,128,079
2012	5,005,267	77,964	79,216	(354,923)	10,131,203	362,739	10,332	15,311,798
2013	5,750,117	48,589	88,207	(400,242)	10,201,586	386,230	11,095	16,085,582
2014	5,801,986	48,747	83,689	(427,956)	10,796,715	389,342	11,896	16,704,419
2015	5,851,759	47,887	85,659	(436,336)	11,427,918	486,838	12,164	17,475,889
2016	6,002,812	47,749	38,704	(458,116)	11,349,608	497,374	35,789	17,513,920
Change 2016-2007	42.46%	-46.18%	-55.77%	57.73%	18.45%	-4.10%		23.34%

REVENUE CAPACITY

These schedules contain information to help the reader assess the City's most significant local revenue sources, property taxes, sales taxes and charges for services.

Direct and Overlapping Property Tax Rates	Table 6
Assessed Value and Actual Value of Taxable Property	Table 7
Principal Property Taxpayers.....	Table 8
Property Tax Levies and Collections.....	Table 9
Direct and Overlapping Sales Tax Rates	Table 10
Major Governmental Activities Customer Base and Charges for Services Income	Table 11
Major Business Type Activities Customer Base and Charges for Services Income	Table 12
Gross Sales by Category	Table 13



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(Un-Audited)

Table 6

City of Ketchikan, Alaska
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

Fiscal Year	City of Ketchikan	Ketchikan Gateway Borough	Total Rate
2007	6.1	6.8	12.9
2008	6.1	6.8	12.9
2009	6.1	6.0	12.1
2010	6.1	5.8	11.9
2011	6.2	5.8	12.0
2012	6.2	5.0	11.2
2013	6.7	5.0	11.7
2014	6.7	5.0	11.7
2015	6.7	5.0	11.7
2016	6.7	5.0	11.7

Tax Rate Limit: The laws of the State of Alaska limit property taxes to 3 percent of the value of property, but this limitation is not applicable to taxes levied or pledged to pay or secure the payment of the principal and interest on any bonds of any incorporated town or municipality, which taxes may be levied without limitation as to rate and amount.

Source: Ketchikan Gateway Borough

(Un-Audited)

City of Ketchikan, Alaska
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Residential Property	Vacant Property ⁽¹⁾	Commercial Property	Industrial Property	Apartment & Condominium Property	Other Property
2007	310,491,700	30,939,400	202,440,800	46,898,700	54,040,200	3,608,700
2008	347,617,900	32,621,300	219,509,300	53,346,100	61,058,900	3,778,200
2009	356,923,300	32,800,300	229,937,400	60,541,600	56,939,700	10,052,600
2010	365,177,600	32,136,200	231,054,200	63,405,300	58,391,900	9,407,200
2011	273,882,800	11,108,100	200,555,000	113,607,400	152,983,800	1,667,100
2012	370,947,500	31,244,700	297,047,800	-	61,355,800	3,743,400
2013	261,110,500	40,812,100	325,506,900	-	166,449,600	3,281,100
2014	396,406,500	37,402,300	313,022,400	-	62,960,400	3,690,000
2015	384,722,200	36,480,100	229,589,100	99,821,000	62,824,230	3,684,100
2016	401,478,700	37,821,900	232,867,800	99,399,200	63,789,600	3,769,300

⁽¹⁾ The vacant property classification includes property parcels that do not have improvements on the land. These vacant parcels may be located in residential, commercial and industrial zones.

⁽²⁾ The Senior Citizen/Disabled Veteran Tax Emempt program provides up to \$150,000 of tax relief for qualified individuals.

Note: The property in the city is reassessed at least every four years in accordance with the Ketchikan Gateway Borough's assessment procedures to reappraise certain geographical areas located within the Borough. Property is assessed at actual value; therefore, the assessed values are equal to actual value. Tax rates are per \$1,000 of assessed value.

Source: Ketchikan Gateway Borough, Assessment Department

Table 7

Personal Property	Total Assessed Value	Tax-Exempt Property ⁽²⁾	Total Taxable Assessed Value	Tax Rate
48,912,700	697,332,200	47,670,500	649,661,700	6.1
50,809,700	768,741,400	50,094,600	718,646,800	6.1
50,913,200	798,108,100	52,754,100	745,354,000	6.1
41,375,000	800,947,400	55,101,700	745,845,700	6.1
47,370,800	801,175,000	55,829,300	745,345,700	6.2
44,177,700	808,516,900	58,818,800	749,698,100	6.2
60,238,000	857,398,200	59,737,600	797,660,600	6.7
56,345,700	869,827,300	63,874,100	805,953,200	6.7
56,376,718	873,497,448	65,124,800	808,372,648	6.7
59,603,200	898,729,700	68,375,500	830,354,200	6.7

City of Ketchikan, Alaska
Principal Property Taxpayers
Current Year and Nine Years Ago

<u>Taxpayer</u>	2016			2007		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value</u>
Cape Fox Corporation	\$ 16,447,000	1	1.83%	\$ 7,852,200	3	1.13%
Trident Seafoods Corporation	14,451,700	2	1.61%			
Ketchikan Dock Company, LLC	13,295,200	3	1.48%			
Harbor Enterprises/Petro Marine Services	11,113,300	4	1.24%	6,421,700	7	0.92%
Tongass Trading Company	10,616,300	5	1.18%	8,205,800	1	1.18%
Boyer Towing Inc.	9,168,900	6	1.02%			
Dock Street Building Corporation	8,714,700	7	0.97%			
Alaska General Seafood Processors	8,228,300	8	0.92%	4,718,900	10	0.68%
E C Phillips & Son Inc.	8,205,700	9	0.91%	6,114,500	8	0.88%
Landing LLC	8,144,500	10	0.91%	7,912,200	2	1.13%
Trident-Norquest				7,652,500	4	1.10%
Carr-Gottstein Foods Company				7,504,800	5	1.08%
Wal-Mart				6,874,800	6	0.99%
Ketchikan Plaza, Inc.				5,853,500	9	0.84%
Total	\$ 108,385,600		12.07%	\$ 69,110,900		9.93%

Source: Ketchikan Gateway Borough Department of Assessment

City of Ketchikan, Alaska
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for Municipal Purposes for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2007	3,962,936	3,881,477	97.94%	69,080	3,950,557	99.69%
2008	4,383,745	4,338,730	98.97%	36,496	4,375,226	99.81%
2009	4,546,659	4,472,274	98.36%	65,392	4,537,666	99.80%
2010	4,549,659	4,353,276	95.68%	167,052	4,520,328	99.36%
2011	4,621,143	4,565,367	98.79%	55,701	4,621,068	100.00%
2012	4,648,128	4,590,563	98.76%	57,565	4,648,128	100.00%
2013	5,344,326	5,276,616	98.73%	47,893	5,324,509	99.63%
2014	5,399,886	5,295,537	98.07%	90,984	5,386,521	99.75%
2015	5,416,097	5,372,688	99.20%	17,128	5,389,816	99.51%
2016	5,563,373	5,518,798	99.20%		5,518,798	99.20%

Source: Ketchikan Gateway Borough, Assessment Department



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Table 10

City of Ketchikan, Alaska
Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years

Fiscal Year	City of Ketchikan¹	Ketchikan Gateway Borough	Total Rate
2007	3.5%	2.5%	6.0%
2008	3.5%	2.5%	6.0%
2009	3.5%	2.5%	6.0%
2010	3.5%	2.5%	6.0%
2011	3.5%	2.5%	6.0%
2012	3.5%	2.5%	6.0%
2013	3.5%	2.5%	6.0%
2014	4.0%	2.5%	6.5%
2015	4.0%	2.5%	6.5%
2016	4.0%	2.5%	6.5%

¹ The City of Ketchikan 4.0% sales tax rate became effective April 1, 2014.

Source: Ketchikan Gateway Borough & City of Ketchikan

(Un-Audited)

City of Ketchikan, Alaska
Major Governmental Activities Customer Base and Charges for Services Income
Last Ten Fiscal Years

	2007	2008	2009	2010
<u>Collected Charges for Services Revenue</u>				
Solid Waste	\$ 2,821,632	\$ 2,881,079	\$ 2,776,619	\$ 2,816,287
Harbor	973,142	1,103,677	1,156,343	1,116,361
<u>Number of Customers/Services Provided</u>				
Solid Waste Collection				
Residential	2,516	2,479	2,454	2,402
Business	231	230	231	233
Solid Waste Disposal	5,403	5,405	5,446	5,419
Harbor				
Reserved Moorage Stalls Rented	765	759	786	763

Sources: City of Ketchikan Solid Waste and Small Boat Harbors financial and department records

Table 11

	2011		2012		2013		2014		2015		2016
\$	2,940,490	\$	2,948,507	\$	2,851,958	\$	2,907,531	\$	2,809,864	\$	3,142,540
	1,159,273		1,250,292		1,191,053		1,247,810		1,329,984		1,475,000
	2,524		2,558		2,559		2,599		2,628		2,673
	238		251		245		248		249		252
	5,485		5,537		5,571		5,528		5,500		5,548
	765		767		753		735		821		857

(Un-Audited)

City of Ketchikan, Alaska
Major Business Type Activities Customers and Charges for Services Income
Last Ten Fiscal Years

	2007	2008	2009	2010
Collected Charges for Services Revenue				
Electric				
Residential	\$ 6,184,106	\$ 6,691,810	\$ 6,743,435	\$ 6,557,170
Boats	290,847	289,017	275,352	268,981
Commercial	6,126,579	6,327,156	6,167,549	6,186,808
Industrial	1,614,368	1,615,798	1,622,961	1,758,452
Demand	411,557	426,839	429,295	427,292
Area Lighting	45,733	50,145	49,019	48,833
Street Lighting	122,122	123,012	123,499	124,526
Diesel Surcharge		2,205,971	1,228,808	18,848
Other	567,665	472,660	564,893	562,291
Telecommunications				
Local Network Services	2,854,206	2,644,869	2,442,452	2,274,624
Inter/Intrastate Network Access Services	7,745,095	7,449,484	8,163,920	8,644,023
Non-Regulated	2,271,838	2,361,103	2,560,799	2,967,362
Other	602,687	552,921	616,505	560,477
Water				
Residential	872,455	888,236	966,755	1,110,982
Apartments	166,001	174,022	188,158	214,427
Commercial	644,746	667,522	756,319	864,542
Industrial	77,977	79,714	68,793	64,890
Cannery	48,862	70,376	129,648	150,887
Fire Hydrant	9,029	9,210	19,170	30,378
Port	116,522	148,781	141,328	128,792
Other	14,156	27,337	51,879	10,569
Wastewater				
Residential Sewer Service	1,239,257	1,236,392	1,230,812	1,224,650
Business Sewer Service	799,104	801,895	798,802	785,117
Port				
Passenger Wharfage ¹	5,917,231	6,484,425	6,471,647	5,725,215
Docking	1,561,813	1,891,913	1,929,406	1,721,945
Customer Base				
Electric				
Residential	5,677	5,731	5,731	5,756
Commercial	1,091	1,105	1,127	1,153
Industrial	14	14	14	13
Other	523	496	493	496
Telecommunications				
Residential Access Lines	5,036	4,265	3,804	3,554
Commercial Access Lines	4,003	3,857	3,663	3,442
Water				
Residential	2,776	2,769	2,748	2,738
Apartments	16	18	18	17
Commercial	424	422	435	436
Industrial	7	7	6	5
Cannery	3	3	4	4
Fire Hydrant	4	4	6	7
Marine Vessels	25	31	29	26
Wastewater				
Residential ²	2,779	2,772	2,752	2,742
Business ³	431	429	441	441
Port				
Cruiseships	36	37	36	26
Stops	499	502	496	429
Passengers ⁴	894,216	930,958	926,051	820,914

¹ In 2004, the City Council adopted an ordinance to assess passenger wharfage fees for passengers arriving by passenger ship. The fee assessed to the passenger ships for passengers is dependent on whether the ship docks or lighters its passengers to City's owned berthing facilities.

² The number of residential customers reflected on this schedule includes the number of apartment buildings serviced for wastewater services.

³ Beginning in 2000, the industrial customers were lumped with all other commercial customers into the business category.

⁴ The number of passengers only include those that generate revenue.

Source: City of Ketchikan financial records & Ketchikan Visitors Bureau

Table 12

	2011	2012	2013	2014	2015	2016
\$	6,929,817	\$ 7,240,637	\$ 6,929,393	\$ 6,796,723	\$ 6,752,943	\$ 7,127,462
	293,654	318,564	299,465	298,227	279,072	318,082
	6,404,792	6,673,188	6,701,322	6,690,774	6,584,210	6,846,651
	1,767,912	1,862,015	1,915,505	1,750,002	1,784,436	1,795,059
	443,170	481,321	510,887	514,972	507,363	495,104
	48,890	48,974	48,995	49,172	50,076	53,056
	124,978	126,239	126,178	127,692	129,143	129,912
	231,477	16,477	2,388,021	96,283	4	
	442,410	464,797	426,644	293,569	350,271	370,497
	2,194,530	2,131,351	2,100,995	2,005,521	2,030,655	2,082,930
	8,591,786	8,399,849	8,660,056	9,259,709	9,413,321	8,927,300
	3,261,045	3,565,887	4,036,708	4,396,232	5,596,871	7,078,617
	453,180	489,827	444,218	499,346	461,826	374,776
	1,277,902	1,300,147	1,343,648	1,377,255	1,521,500	1,632,301
	250,519	258,792	269,394	294,082	327,663	351,241
	1,003,574	998,294	1,042,848	1,102,474	1,208,718	1,275,949
	85,894	87,840	91,425	79,182	83,648	89,868
	156,455	143,560	144,614	149,219	152,636	143,507
	34,922	27,199	22,864	23,539	25,887	27,951
	124,230	146,820	189,975	172,688	159,075	154,725
	51,804	20,970	24,160	10,256	23,051	45,931
	1,269,208	1,349,227	1,490,983	1,623,781	1,771,393	1,917,142
	848,585	866,087	960,818	951,760	986,268	1,054,754
	5,786,811	6,183,922	6,556,500	6,110,005	6,504,788	6,482,367
	1,702,405	1,741,242	1,877,195	1,770,044	1,782,260	1,771,371
	5,757	5,808	5,819	5,817	5,854	5,879
	1,165	1,173	1,171	1,201	1,221	1,228
	12	13	13	13	15	16
	509	524	511	518	543	555
	3,397	3,235	3,138	3,313	3,352	3,345
	3,225	3,078	2,909	2,550	2,371	2,266
	2,743	2,727	2,724	2,650	2,647	2,649
	17	20	21	25	27	28
	442	451	444	436	443	454
	5	4	4	3	3	3
	5	4	5	6	5	5
	7	8	8	8	8	8
	41	29	38	34	30	56
	2,748	2,731	2,729	2,656	2,698	2,712
	447	455	448	439	436	446
	28	34	31	37	38	38
	426	467	456	468	496	489
	830,547	885,799	938,124	877,589	934,772	935,928

(Un-Audited)

City of Ketchikan, Alaska
Gross Sales by Category
Last Ten Fiscal Years

	2007	2008	2009
Construction	\$ 73,062,316	\$ 75,078,082	\$ 46,323,608
Financial institutions	3,087,127	334,081	3,731,380
Hospitality/Lodging establishments	15,419,909	15,715,514	13,919,621
Manufacturing	26,108,290	33,618,523	46,073,219
Real estate	30,277,652	32,151,148	32,737,400
Retail trade	35,677,594	39,292,118	39,662,497
Food stores	60,456,104	64,756,544	64,343,841
Eating and drinking establishments	19,220,007	19,385,206	19,210,420
Auto dealers and supplies	30,555,537	30,341,112	23,803,042
Specialty retail	20,461,112	21,033,341	18,934,395
Curio and jewelry retail stores	109,424,735	108,453,547	96,271,467
Entertainment services	4,736,203	3,926,876	4,042,859
General services	10,603,864	11,424,040	11,496,906
Professional services	7,614,270	7,089,598	10,558,751
Transportation, communications and utilities	82,119,828	98,077,432	75,443,450
Wholesale Trade	1,923,181	2,453,977	5,188,170
Total	<u>\$ 530,747,729</u>	<u>\$ 563,131,139</u>	<u>\$ 511,741,026</u>
City direct sales tax rate	3.50%	3.50%	3.50%

Source: Ketchikan Gateway Borough

Note: The amounts reflected on this schedule are updated annually with current reported gross sales information provided by the Ketchikan Gateway Borough.

Table 13

2010	2011	2012	2013	2014	2015	2016
\$ 54,739,115	\$ 98,195,271	\$ 115,072,276	\$ 80,587,439	\$ 80,338,454	\$ 86,244,600	\$ 74,134,827
3,843,647	3,312,505	4,304,936	3,823,214	3,264,143	3,109,125	3,048,745
14,299,381	13,383,768	14,454,796	14,592,618	15,306,647	16,075,556	16,672,455
38,802,496	23,008,725	37,626,506	35,271,769	32,324,967	47,143,944	49,999,866
35,310,367	35,190,247	36,281,113	36,386,144	36,877,393	38,769,469	37,255,720
41,749,627	43,218,110	73,642,212	45,105,904	46,746,656	45,454,200	44,336,393
66,068,438	70,282,395	72,864,479	73,199,378	75,202,176	84,796,955	83,808,843
19,637,754	20,382,296	21,871,782	21,289,797	21,297,129	22,887,732	23,255,671
18,240,527	20,656,612	21,777,925	21,362,910	22,480,389	21,452,076	20,695,191
18,935,799	17,639,809	17,774,127	17,488,075	19,142,925	20,147,212	21,537,651
93,479,664	92,993,071	93,242,461	99,396,961	93,011,479	102,021,946	101,586,695
3,560,715	3,537,686	3,664,583	3,762,714	3,999,764	4,205,791	4,616,071
10,856,053	11,144,670	10,824,072	10,472,818	11,068,334	11,641,100	12,179,473
8,730,642	11,276,048	9,921,550	8,573,984	9,521,613	12,712,487	9,658,626
82,748,939	90,509,083	90,900,693	93,957,749	85,704,564	73,952,966	65,231,199
4,868,635	4,772,431	5,251,729	5,342,198	5,216,327	6,441,568	7,870,666
<u>\$ 515,871,799</u>	<u>\$ 559,502,727</u>	<u>\$ 629,475,240</u>	<u>\$ 570,613,672</u>	<u>\$ 561,502,960</u>	<u>\$ 597,056,727</u>	<u>\$ 575,888,092</u>
3.50%	3.50%	3.50%	3.50%	4.00%	4.00%	4.00%



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DEBT CAPACITY

These schedules contain information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.

Outstanding Debt by Type Table 14
Ratio of General Bonded Debt Outstanding Table 15
Pledged Revenue Coverage Table 16
Direct and Overlapping Governmental Activities Debt Table 17

City of Ketchikan, Alaska
Outstanding Debt by Type
Last Ten Fiscal Years

Governmental Activities			
Fiscal Year	General Obligation Bonds	Capital Lease	Total Governmental Activities
2007	\$ 6,834,456	\$ 67,377	\$ 6,901,833
2008	6,266,010	34,339	6,300,349
2009	5,682,565	-	5,682,565
2010	12,280,863	-	12,280,863
2011	11,452,328	-	11,452,328
2012	15,726,032	-	15,726,032
2013	14,535,682	-	14,535,682
2014	59,441,445	-	59,441,445
2015	57,984,080	-	57,984,080
2016	58,506,411	-	58,506,411

Business-Type Activities										
	Wastewater General Obligation Bonds	Wastewater Revenue Bonds	Port General Obligation Bonds	Port Revenue Bonds	KPU Junior Lien Bonds	KPU Revenue Bonds	Total Business-Type Activities	Total Primary Government	Percentage of Personal Income	Total Debt to Population (Table 18)
2007	\$ 803,278	-	1,480,000	38,672,327	\$ 1,609,266	18,901,840	61,466,711	68,368,544	17.86%	8,842
2008	847,507	-	1,265,000	37,988,766	2,877,106	17,960,579	60,938,958	67,239,307	16.77%	8,956
2009	900,458	-	1,035,000	37,280,205	4,587,223	15,543,926	59,346,812	65,029,377	16.07%	8,667
2010	4,147,967	-	795,000	36,541,644	7,298,232	13,155,673	61,938,516	74,219,379	17.14%	9,220
2011	4,560,222	-	540,000	35,773,083	8,429,282	10,626,271	59,928,858	71,381,186	15.77%	8,767
2012	4,736,445	\$ 363,210	270,000	34,969,522	8,673,259	8,022,070	57,034,506	72,760,538	15.21%	8,776
2013	2,763,776	308,811		34,130,961	8,804,413	20,938,869	66,946,830	81,482,512	17.20%	9,802
2014	2,711,970	295,463		33,257,400	10,154,554	17,595,000	64,014,387	123,455,832	24.49%	14,849
2015	1,972,026	281,916		31,775,000	9,798,191	16,428,839	60,255,972	118,240,052	22.70%	14,285
2016	1,875,495	268,163		27,025,000	8,474,239	13,915,000	51,557,897	110,064,308	21.33%	13,437

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

Source: City of Ketchikan financial records

City of Ketchikan, Alaska
Ratio of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	Population (Table 18)	Taxable Assessed Value (Table 7)	General Obligation Bonds	Ratio of GO Debt to Assessed Value of Property	Net GO Debt Per Capita
2007	7,732	\$ 649,661,700	\$ 9,117,734	1.40%	\$ 1,179
2008	7,508	718,646,800	8,378,517	1.17%	1,116
2009	7,503	745,354,000	7,618,023	1.02%	1,015
2010	8,050	745,845,700	17,223,830	2.31%	2,140
2011	8,142	745,345,700	16,552,550	2.22%	2,033
2012	8,291	749,698,100	20,732,477	2.77%	2,501
2013	8,313	797,660,600	17,299,458	2.17%	2,081
2014	8,314	805,953,200	62,153,415	7.71%	7,476
2015	8,277	808,372,648	59,956,106	7.42%	7,244
2016	8,191	830,354,200	60,381,906	7.27%	7,372

Note: This schedule includes all general obligation bonds of the City of Ketchikan including both governmental activities and business-type activities.

Source: City of Ketchikan financial records

(Un-Audited)

City of Ketchikan, Alaska
Pledged-Revenue Coverage
Last Ten Fiscal Years

Utility Revenue Bonds						
Fiscal Year	Gross Revenues ¹	Expenses Excluding Depreciation	Net Available	Debt Service		Coverage
		Taxes & Debt	Revenue	Principal	Interest	
2007	32,007,842	22,872,723	9,135,119	1,975,000	875,733	3.20
2008	34,298,849	25,611,063	8,687,786	2,125,000	768,170	3.00
2009	33,750,681	26,912,879	6,837,802	2,285,000	694,976	2.29
2010	33,171,040	24,676,756	8,494,284	2,380,000	606,176	2.84
2011	34,436,817	26,109,799	8,327,018	2,480,000	447,061	2.84
2012	35,106,045	27,420,125	7,685,920	2,570,000	376,730	2.61
2013	37,991,740	31,130,999	6,860,741	1,750,000	300,818	3.35
2014	36,458,482	29,080,289	7,378,193	1,810,000	784,780	2.84
2015	37,987,135	29,920,251	8,066,884	1,735,000	709,980	3.30
2016	39,463,946	31,296,075	8,167,871	1,730,000	638,775	3.45

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.
Operating expenses do not include interest, depreciation, or amortization expenses.

¹ Revenues do not include financial assistance recognized as revenues pursuant to GASB Statement 33.

² Other represents lease payment and payment to repair and replacement fund.

Table 16

Port Revenue Bonds							
Gross Revenue	Expenses Excluding Depreciation and Lease	Net Available Revenue	Debt Service		Other ²	Coverage	
			Principal	Interest		Debt Service	Debt Service/ Lease
8,595,881	1,506,749	7,089,132	625,000	1,951,100	-	2.75	-
9,205,938	2,249,651	6,956,287	655,000	1,924,537	2,948,056	2.70	1.27
9,248,432	2,933,667	6,314,765	680,000	1,896,700	2,993,192	2.45	1.13
8,093,975	2,925,697	5,168,278	710,000	1,867,800	2,668,757	2.00	0.99
8,067,105	2,124,200	5,942,905	740,000	1,835,850	2,386,863	2.31	1.20
10,620,142	1,949,449	8,670,693	775,000	1,802,550	2,628,181	3.36	1.67
11,147,463	2,167,752	8,979,711	810,000	1,767,675	2,922,942	3.48	1.63
11,186,885	2,203,014	8,983,871	845,000	1,731,225	2,892,155	3.49	1.64
9,189,712	2,198,706	6,991,006	885,000	1,691,088	2,889,138	2.71	1.28
9,163,784	2,268,007	6,895,777	930,000	1,649,050	3,005,514	2.67	1.23

City of Ketchikan, Alaska
Direct and Overlapping Governmental Activities Debt
As of December 31, 2016

Name of Governmental Unit	Debt Outstanding	Estimated Percentage Applicable ¹	Estimated Share of Overlapping Debt
Ketchikan Gateway Borough-Overlapping Debt	40,960,000	63.84%	26,149,547
City of Ketchikan-Direct Debt	58,506,411	100.00%	58,506,411
Total Direct and Overlapping Debt			<u>\$ 84,655,958</u>

Note: Overlapping governments are those that coincide with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Ketchikan. This process recognizes that, when considering the city's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying each debt of each overlapping government.

¹ For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using assessed property values. Applicable percentages were estimated by determining the portion of the Ketchikan Gateway Borough's assessed value and dividing it by each unit's total assessed value.

² The figures reported for the Ketchikan Gateway Borough reflect the amounts shown in their FY2016 Comprehensive Annual Financial Report for the year ended June 30, 2016.

Sources: Assessed value data used to estimate applicable percentages provided by the Ketchikan Gateway Borough Assessment Department. Debt outstanding data provided by the Ketchikan Gateway Borough & City of Ketchikan Finance Departments.

DEMOGRAPHIC AND ECONOMIC INFORMATION

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Demographic and Economic Statistics	Table 18
Principal Employers.....	Table 19

(Un-Audited)

City of Ketchikan, Alaska
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population		Personal Income ⁽¹⁾	Per Capita	School ⁽³⁾ Enrollment
	City	Ketchikan Gateway Borough		Personal Income ⁽²⁾	
2007	7,732	13,166	651,782,000	48,881	2,167
2008	7,508	12,993	693,918,000	52,100	2,115
2009	7,503	12,984	700,170,000	52,668	2,110
2010	8,050	13,477	724,879,000	53,595	2,116
2011	8,142	13,686	760,769,000	55,795	2,167
2012	8,291	13,750	793,156,000	57,899	2,201
2013	8,313	13,938	794,208,000	58,086	2,266
2014	8,314	13,856	840,043,000	60,957	2,360
2015	8,277	13,778	866,894,000	63,235	2,239
2016	8,191	13,758	866,894,000	63,235	2,392

Note: Except as specifically noted the demographic and economic statistical information reflected in this schedule represents data for the Ketchikan Gateway Borough (KGB) as the data for the specific areas within the KGB such as the City of Ketchikan are not available.

¹ The amount of personal income reflects the amount reflected on State of Alaska website, which provides the interface for U.S. Department of Commerce, Bureau of Economic Analysis data for the Ketchikan Gateway Borough because information specific to the City of Ketchikan is not currently available. The information reflected in this schedule represents the most current data available and may differ from the amounts that have been reported in prior years. Information has not been released that shows this type of information for 2016 so an estimate has been provided.

² The amount of per capita personal income reflects the amount reflected on State of Alaska website, which provides the interface for U.S. Department of Commerce, Bureau of Economic Analysis data for the Ketchikan Gateway Borough because information specific to the City of Ketchikan is not currently available. The information reflected in this schedule represents the most current data available and may differ from the amounts that have been reported in prior years. The amount reflected for 2016 is an estimate as data is not currently available.

³ The School Enrollment figures reflects kindergarten through grade 12 enrollment from the State of Alaska website for the Ketchikan Gateway Borough as of October 1. The link for 2016 information can be accessed at <http://www.eed.state.ak.us/stats/DistrictEnrollment/2016DistrictEnrollment.pdf>. Information reflected in this schedule reflects the amounts stated for each of the respective years and may differ from the amounts that have been reported in prior years.

⁴ A change in the way labor force statistics are calculated for sub-state areas makes data prior to 2010 not comparable with other data. The Civilian Labor Force figures are the amounts reflected on State of Alaska website for the Ketchikan Gateway Borough because information specific to the City of Ketchikan is not currently available. The information reflected in this schedule represents the most current data available and may differ from the amounts that have been reported in prior years.

⁵ Registered motor vehicle information reflected in this schedule is representative of amounts reported by the State of Alaska, Department of Administration, Division of Motor Vehicles for the Ketchikan Gateway Borough because information specific to the City of Ketchikan is unavailable at this time.

Sources: Personal income and unemployment rate information provided by the State of Alaska's website interface to the U.S. Department of Commerce, Bureau of Economic Analysis. The reported population counts reflect the levels stated by the State of Alaska, Department of Commerce, Division of Community and Regional Affairs. Motor vehicle information is provided by the State of Alaska, Department of Administration, Division of Motor Vehicles.

Table 18

Civilian Labor Force ⁽⁴⁾			Motor
		Unemployment	Vehicles
Employed	Unemployed	Rate	Registered ⁽⁵⁾
7,789	447	5.4%	16,522
7,821	471	5.7%	16,640
7,712	590	7.1%	16,670
6,474	622	8.8%	16,485
6,560	620	8.6%	16,530
6,596	581	8.1%	16,504
6,609	553	7.7%	16,517
6,557	554	7.8%	16,520
6,546	477	6.8%	16,578
6,589	439	6.2%	16,666

City of Ketchikan, Alaska
Principal Employment by NAICS Industry Category
This Year and Nine Years Ago

<u>Employer</u>	<u>2016 ¹</u>		<u>2007</u>	
	<u>Average Employment</u>	<u>Rank</u>	<u>Average Employment</u>	<u>Rank</u>
Federal Government	236	10	308	8
State Government	659	5	683	5
Local Government	1,158	2	1,090	2
Natural Resource and Mining	129	12	216	11
Construction	364	8	276	9
Manufacturing	531	6	509	6
Trade, Transportation & Utilities	1,649	1	1,802	1
Information	86	13	92	13
Financial Activities	366	7	367	7
Professional & Business Services	282	9	217	10
Educational & Health Services	937	3	702	4
Leisure & Hospitality	882	4	854	3
Other Services	175	11	187	12

Employment by NAICS Industry Category is reflected for the Ketchikan Gateway Borough because information specific to the City of Ketchikan is not currently available.

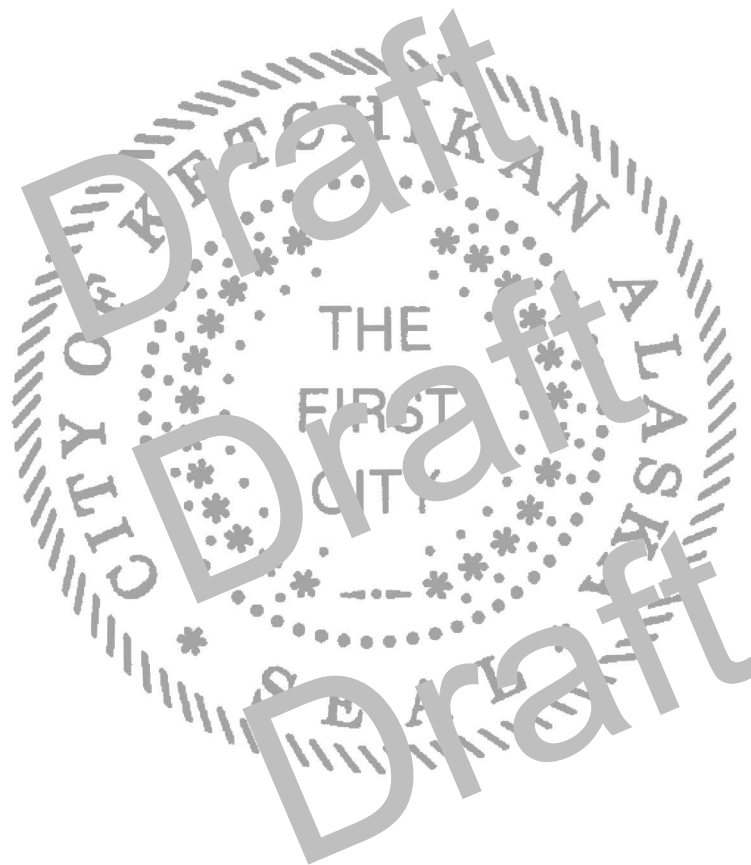
¹ The average 2016 employment figures reflect preliminary results for calendar year 2015 by the State of Alaska, Department of Labor.

Source: State of Alaska, Department of Labor

OPERATING INFORMATION

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Property Value and Construction.....	Table 20
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Historical Water Customers and Operating Results	Table 29
Utility Rates and Charges	Table 30
Port Fund Operating Results.....	Table 31



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CITY OF KETCHIKAN, ALASKA
Property Value and Construction
Last Ten Fiscal Years

Year	Construction		Real & Personal Property Value (2)
	Number of Permits (1)	Value (1)	
2007	190	12,120,861	697,332,200
2008	180	24,505,040	768,741,400
2009	198	13,981,121	798,108,100
2010	156	11,084,859	800,947,400
2011	157	106,064,282	801,175,000
2012	139	22,381,845	808,516,900
2013	148	12,109,557	857,398,200
2014	146	52,184,617	869,827,300
2015	148	13,895,087	873,497,448
2016	171	16,138,800	898,729,700

Sources:

- (1) - City of Ketchikan Building Inspection Division
- (2) - Ketchikan Gateway Borough Department of Assessment

(Un-Audited)

CITY OF KETCHIKAN, ALASKA
Full-time Equivalent City Employees by Function/Program
Last Ten Years

	2007	2008	2009	2010
<u>Function/Program</u>				
General government				
Mayor and Council	8.00	8.00	8.00	8.00
Law	2.00	2.00	2.00	2.00
Clerk	2.00	2.00	2.00	2.00
City Manager	4.50	4.50	4.50	4.50
Finance	16.00	16.00	16.00	16.00
Information Technology	8.00	9.00	8.10	7.00
Public Safety				
Fire	18.50	19.50	20.00	20.00
Police	35.30	35.80	35.30	36.30
Culture				
Library	13.88	13.33	13.33	11.83
Museum	8.45	8.45	8.45	7.45
Civic Center	3.00	3.00	3.00	3.00
Health and Welfare				
Gateway Center for Human Services ¹	39.24	36.40	19.00	
Public Works				
Engineering	13.00	13.00	11.00	11.00
Streets	12.00	14.00	14.00	13.00
Solid Waste	10.00	11.00	11.00	11.00
Garage & Warehouse	4.00	4.00	4.00	4.00
Wastewater	8.00	8.00	8.00	8.00
Building Maintenance	2.00	2.00	2.00	2.00
Port and Harbors				
Small Boat Harbors	5.20	5.20	4.80	4.80
Port Development	3.80	3.80	4.20	4.20
Ketchikan Public Utilities				
Administration	1.50	1.50	1.50	1.50
Engineering ²	7.50	7.50	7.50	4.50
Sales, Marketing & Customer Service ³	12.50	12.50	16.50	16.00
Electric	42.00	42.00	42.00	42.00
Telephone	45.00	47.00	41.00	41.00
Water	7.50	7.50	7.50	8.50
Total	332.87	336.98	314.68	289.58

Source: City of Ketchikan Budget Records

¹ Effective May 1, 2010 the City ceased management of the operations associated with the Gateway Center for Human Services Division.

² Effective January 1, 2012, the former KPU Engineering Division was dissolved and staff members were reassigned to other divisions. The number of employees in the KPU Engineering Division for calendar years 2004 through 2011 reflect the former staffing plan.

³ Effective May 7, 2009 the former Customer Service Division was renamed Sales, Marketing and Customer Service Division and four Telecommunications staff members were reassigned to the newly established division. The number of employees reflected in Telecommunications and Sales, Marketing & Customer Service Divisions for calendar year 2007-2008 reflect the former staffing plan.

Table 21

2011	2012	2013	2014	2015	2016
8.00	8.00	8.00	8.00	8.00	8.00
2.00	1.00	1.00	1.00	1.25	1.00
2.00	2.00	2.00	2.00	2.00	2.00
4.50	4.50	4.50	4.50	4.50	4.50
16.00	16.00	16.00	15.00	16.00	16.00
7.00	7.00	7.00	7.00	7.00	6.42
19.00	19.00	19.00	19.00	19.00	19.00
36.30	36.30	36.30	35.30	35.30	35.30
11.83	12.31	12.31	12.41	12.79	12.79
7.20	7.20	7.20	7.20	7.20	7.70
3.00	3.00	3.00	3.00	3.00	3.00
11.50	13.00	12.00	12.00	12.00	12.00
13.00	13.00	13.00	13.00	13.00	13.00
11.00	11.00	11.00	11.00	11.00	11.00
4.00	4.00	4.00	4.00	4.00	4.00
8.00	8.00	8.00	8.00	8.00	8.00
2.00	2.00	2.00	2.00	2.00	2.00
5.40	5.40	5.40	5.40	5.20	5.20
4.60	4.60	4.60	4.60	4.80	4.80
1.50	2.50	2.50	2.50	2.50	2.50
4.50					
16.00	16.00	16.83	17.00	17.00	17.00
43.00	43.40	43.40	43.40	43.40	43.40
40.00	43.00	43.92	43.00	42.00	42.00
8.50	10.60	10.60	10.60	10.60	10.60
289.83	292.81	293.56	290.91	291.54	291.21

(Un-Audited)

CITY OF KETCHIKAN, ALASKA
Operating Indicators by Function/Program
Last Ten Years

	2007	2008	2009	2010
Function/Program				
City Manager				
Personnel Job Postings	111	130	81	85
Information Technology				
Workstations	281	287	291	318
Portables	39	42	45	52
Printers	96	103	107	91
Public Safety				
Fire				
EMS/Rescue Responses	1,175	1,242	1,256	1,158
Fire Responses	51	60	52	46
Volunteer Fire Persons	33	35	39	27
Police				
DUI Offenses	198	162	142	130
Domestic Violence	154	197	221	365
Larceny Offenses	408	367	395	400
Culture				
Library				
Volumes in collection	66,057	68,054	68,879	69,968
Annual Circulation	169,743	160,698	151,826	190,186
Offered Programs	254	282	243	262
Program Attendance	5,233	6,877	1,658	6,733
Museum				
Tongass Historical Museum Attendance	21,549	21,116	25,529	20,818
Tongass Historical Museum Exhibit Openings	3	4	4	4
Totem Heritage Center Attendance	36,659	45,228	45,721	43,088
THC Native Arts Studies Course Offerings	11	10	11	12
Civic Center				
Days Occupied	199	186	242	180
Events	158	148	156	154
Public Works				
Engineering				
Issued Building Permits	190	180	198	156
Solid Waste				
Municipal Solid Waste - tons per day	26.35	25.57	25.50	24.57
Trash - tons per day	11.73	12.15	12.41	12.90
Incineration - tons per day	0.09	0.03	0.03	0.04
Recycle - tons per day	8.82	6.02	6.25	6.25
Port and Harbors				
Reserved Moorage Stalls Rented	770	758	745	693
Transient Moorage Feet Sold	291,728	560,453	535,939	529,565
Cruise Ship Stops	499	502	496	429
Cruise Ship Passengers	899,638	941,910	937,419	828,929
Ketchikan Public Utilities				
Customer Service				
Utility Service Orders	5,394	5,538	5,828	5,798

Sources: Various City Departments

Table 22

2011	2012	2013	2014	2015	2016
137	130	106	100	105	102
318	327	339	351	347	338
52	48	52	66	70	72
91	87	83	89	100	100
1,196	1,404	1,287	1,401	1,425	1,571
434	198	398	406	526	568
27	25	21	17	17	25
122	62	40	55	68	81
181	72	79	75	55	63
415	316	272	263	265	266
74,228	84,049	77,181	95,427	99,311	70,323
177,454	158,364	178,856	181,105	187,916	169,185
243	245	324	572	561	341
6,230	6,076	8,397	13,151	13,790	12,801
21,451	20,534	25,656	25,593	24,552	23,914
4	4	4	3	2	1
33,603	25,905	30,949	31,266	33,218	36,799
10	11	11	12	10	10
174	203	179	143	149	159
132	147	139	90	84	105
157	139	148	146	148	171
24.53	23.02	23.22	23.54	24.10	24.57
14.14	14.96	12.94	14.64	12.51	12.90
0.02	0.02	0.02	0.03	0.02	0.04
7.13	5.49	18.40	16.53	6.08	6.75
726	715	753	735	821	857
524,316	501,467	343,312	314,517	271,454	312,543
426	462	453	468	496	489
830,547	885,799	938,124	846,636	934,772	935,928
5,417	4,720	4,937	4,120	3,132	2,892

(Un-Audited)

CITY OF KETCHIKAN, ALASKA
Capital Asset Statistics by Function/Program
Last Ten Years

	2007	2008	2009	2010
<u>Function/Program</u>				
Public Safety				
Fire				
Stations	3	3	3	3
Police				
Stations	1	1	1	1
Culture				
Number of Libraries	1	1	1	1
Number of Museums	2	2	2	2
Number of Civic Centers	1	1	1	1
Public Works				
Engineering				
Municipal Area in Square Miles	5	5	5	5
Streets				
Miles of Streets	24.84	25.07	25.07	27.89
Miles of Stairways	1	1	1	1
Municipal Parking Lots	37	37	37	37
Cemetery				
Acreage Size	9	9	9	9
Port and Harbors				
Harbors				
Harbor with Boat Launch Ramp	2	2	2	2
Harbor without Boat Launch Ramp	3	3	3	3
Boat Launch Ramp Facility	1	1	1	1
Port Berths	3	4	4	4

Sources: Various City Departments

Table 23

2011	2012	2013	2014	2015	2016
3	3	3	3	3	3
1	1	1	1	1	1
1	1	1	1	1	1
2	2	2	2	2	2
1	1	1	1	1	1
5	5	5	5	5	5
27.89	27.89	27.89	27.89	29.37	37.09
1	1	1	1	2	2
37	37	37	37	38	38
9	9	9	9	9	9
2	2	2	2	2	2
3	3	3	3	3	3
1	1	1	1	1	1
4	4	4	4	4	4

CITY OF KETCHIKAN, ALASKA
INSURANCE COVERAGES
as of December 31, 2016

Condensed Description of Coverage	Coverage per Occurrence and Deductible Amounts	Condensed Description of Coverage	Coverage per Occurrence and Deductible Amounts
Property Insurance (includes Boiler & Machinery)		Police Professional Liability	
Coverage Amounts	Per Schedule	Coverage Limits	\$15,250,000
Deductible	\$25,000	Deductible	75,000
Commercial Comprehensive General Liability		Public Officials/Employment Practices Liability	
Coverage Limits	15,250,000	Coverage Limits	15,250,000
Deductible	75,000	Deductible	75,000
Employee Benefits Liability		Fidelity/Crime Insurance	
Coverage Limits	15,250,000	Notary Errors and Omissions	
Deductible	75,000	Coverage Limits	25,000
Commercial Comprehensive Auto Liability		Public Employees Blanket Bond	
Coverage Limits	15,250,000	Coverage Limits	2,500,000
Deductible	75,000	Deductible	50,000
Marine Insurance		Public Officials Bond	
Hull Coverage Limits	Per Schedule	City Manager - Coverage Limits	10,000
Hull War Risk		Finance Director - Coverage Limits	100,000
Coverage Limits	Per Schedule	Deductible	none
Primary Protection & Indemnity		Marina and Wharfingers	
Coverage Limits	1,000,000	Wharfingers/Terminal Operator's/	
Deductible	1,000	Marina Operators/Charterers Liability	
Primary War Risk		Coverage Limits	3,000,000
Coverage Limits	1,000,000	Deductible	10,000
Deductible	none	Sudden and Accidental Pollution Liability	
Excess Protection & Indemnity and		Coverage Limits	3,000,000
Excess P&I War Risk		Deductible	25,000
Coverage Limits	9,000,000	Excess Wharfingers/Terminal Operators/	
Deductible	none	Marina Operators/Charterers/Sudden	
Ambulance Malpractice		and Accidental Pollution Liability	
Coverage Limits	15,250,000	Coverage Limits	17,000,000
Deductible	75,000	Deductible	none
Broadcast Errors and Omissions		XS Marine Liability - Port	27,000,000
Coverage Limits	2,000,000	Worker's Compensation Insurance	
Deductible	10,000	Coverage Limits	Legal Limits
		Pollution Liability	
		Coverage Limits	1,000,000
		Deductible	25,000

CITY OF KETCHIKAN, ALASKA*Utility Statistical Operating Information**Last Ten Fiscal Years*

Year	Number of Customers			K.W.H. Sold	Per K.W.H. Sold		Average Residential K.W.H. Used December
	Electric	Water	Telephone *		Operating Revenue	Cost	
2007	7,305	3,230	9,039	154,802,805	0.0992	0.0995	1,111
2008	7,346	3,223	8,122	159,340,267	0.1142	0.1049	1,187
2009	7,365	3,217	7,558	158,146,666	0.1088	0.1068	1,196
2010	7,418	3,207	7,103	156,985,441	0.1016	0.0991	1,087
2011	7,443	3,219	7,057	164,713,929	0.1013	0.0953	1,218
2012	7,518	3,214	6,434	172,190,266	0.1001	0.0955	1,222
2013	7,514	3,206	6,083	170,281,664	0.1136	0.1119	1,220
2014	7,606	3,128	5,863	167,939,155	0.0989	0.0992	1,212
2015	7,694	3,133	5,723	163,896,254	0.1003	0.1005	1,178
2016	7,741	3,147	5,611	165,107,129	0.1038	0.1056	1,127

* Average number of revenue access lines.

(Un-Audited)

CITY OF KETCHIKAN, ALASKA

Energy Demand, Peak Demand and Resources

Gross Generation (kWh)

Last Ten Fiscal Years

	2007	2008	2009	2010	2011
Energy Demand					
Total Sales	154,802,805	159,340,267	158,146,666	156,985,441	164,713,929
System losses	10,001,995	10,641,933	13,668,534	13,514,059	14,009,987
Total	164,804,800	169,982,200	171,815,200	170,499,500	178,723,916
Peak Demand	29,000	30,200	30,300	28,800	30,300
Energy Resources					
KPU Hydroelectric	79,994,900	83,912,500	78,895,500	76,062,100	82,594,936
Southeast Alaska Power Agency ¹	82,195,200	68,294,400	79,027,200	92,908,800	91,584,000
Diesel Generation	2,614,700	17,775,300	13,892,500	1,528,600	4,544,980
Total	164,804,800	169,982,200	171,815,200	170,499,500	178,723,916
Energy Costs (kWh) ²					
Hydroelectric Generation	\$ 0.0185	\$ 0.0170	\$ 0.0176	\$ 0.0222	\$ 0.0231
Diesel Generation	0.7305	0.2908	0.3027	1.0902	0.4867
Purchased Power ³	0.0655	0.0656	0.0659	0.0610	0.0556
Total Cost of Production (kWh)	0.0533	0.0652	0.0629	0.0529	0.0515

¹ Prior to December 2008, the Southeast Alaska Power Agency was known as the Four Dam Pool Power Agency, Inc. The Four Dam Pool was divested and the two hydroelectric projects that service Southeast Alaska were transferred to the Southeast Alaska Power Agency.

² Cost per kWh include operations and maintenance and depreciation.

³ Purchased power cost per kWh represents includes rebates, but not line losses.

Table 26

2012	2013	2014	2015	2016
172,190,266	170,281,664	167,939,155	163,896,254	165,107,129
13,701,858	8,474,536	8,504,552	11,298,142	11,068,552
185,892,124	178,756,200	176,443,707	175,194,396	176,175,681
27,150	25,900	30,500	25,700	25,400
85,816,264	74,703,000	86,755,268	91,893,718	84,863,454
97,804,800	91,856,000	87,923,000	82,277,072	90,444,864
2,271,060	12,197,200	1,765,439	1,023,606	867,363
185,892,124	178,756,200	176,443,707	175,194,396	176,175,681
\$ 0.0228	\$ 0.0262	\$ 0.0275	\$ 0.0302	\$ 0.0345
0.8622	0.3857	0.8715	1.3645	1.6067
0.0611	0.0630	0.0645	0.0654	0.0691
0.0532	0.0696	0.0544	0.0545	0.0600

(Un-Audited)

CITY OF KETCHIKAN, ALASKA
Historical Electric Customers, Energy Sales and Operating Results
Last Ten Fiscal Years

	2007	2008	2009	2010	2011
Customers (Average)					
Residential	5,677	5,731	5,731	5,756	5,757
Commercial	1,091	1,105	1,127	1,153	1,165
Industrial	14	14	14	13	12
Other	523	496	493	496	509
Total	7,305	7,346	7,365	7,418	7,443
Energy Sales (KWH)					
Residential	62,275,248	65,977,138	66,565,425	64,938,484	68,484,718
Commercial	67,669,664	68,148,711	66,601,484	66,351,381	69,021,595
Industrial	20,865,150	21,275,072	21,215,194	21,981,458	23,242,166
Other	3,992,743	3,939,346	3,764,563	3,714,118	3,965,450
Total	154,802,805	159,340,267	158,146,666	156,985,441	164,713,929
Operating Results					
Operating Revenues					
Revenues from Energy Sales	\$14,795,312	\$17,729,748	\$16,639,918	\$15,390,910	\$16,244,690
Other Operating Revenues	567,665	472,660	564,893	562,291	442,410
Total Operating Revenues	15,362,977	18,202,408	17,204,811	15,953,201	16,687,100
Operating Expenses					
Hydroelectric Generation	1,064,215	1,008,647	949,398	1,225,358	1,442,543
Diesel Generation	1,230,036	4,504,445	3,536,432	1,093,997	1,856,120
Purchased Power	5,383,696	4,477,324	5,205,128	5,663,664	5,093,489
Transmission and Distribution	1,885,281	1,704,557	2,121,534	2,648,485	2,766,478
Administration and General	1,969,007	2,281,082	2,262,656	1,976,837	2,032,081
Total Operating Expenses	11,532,235	13,976,055	14,075,148	12,608,341	13,190,711
Payment In Lieu of Taxes	335,830	335,400	323,730	351,478	353,954
Total Expenses	11,868,065	14,311,455	14,398,878	12,959,819	13,544,665
Net Revenue	\$3,494,912	\$3,890,953	\$2,805,933	\$2,993,382	\$3,142,435

Table 27

2012	2013	2014	2015	2016
5,808	5,819	5,817	5,854	5,879
1,173	1,171	1,201	1,221	1,228
13	13	13	15	16
524	511	575	604	618
7,518	7,514	7,606	7,694	7,741
71,794,062	68,668,600	67,665,456	66,410,470	67,731,286
71,815,802	72,269,920	72,777,304	70,736,227	71,007,166
24,452,654	25,306,208	23,408,642	22,935,650	22,306,193
4,127,748	4,036,936	4,087,753	3,813,907	4,062,484
172,190,266	170,281,664	167,939,155	163,896,254	165,107,129
\$16,767,415	\$18,919,766	\$16,323,845	\$16,087,247	\$16,765,326
464,797	426,644	293,569	350,271	370,497
17,232,212	19,346,410	16,617,414	16,437,518	17,135,823
1,494,523	1,489,541	1,599,911	1,659,158	1,807,339
1,500,999	4,317,797	1,302,115	1,189,814	1,198,599
5,976,876	5,784,566	5,674,201	5,381,319	6,247,593
3,043,918	3,312,784	3,627,608	3,432,156	3,529,503
1,549,445	1,644,964	1,693,482	1,644,771	1,626,940
13,565,761	16,549,652	13,897,317	13,307,218	14,409,974
343,266	381,993	381,993	381,993	381,993
13,909,027	16,931,645	14,279,310	13,689,211	14,791,967
\$3,323,185	\$2,414,765	\$2,338,104	\$2,748,307	2,343,856

(Un-Audited)

CITY OF KETCHIKAN, ALASKA
Historical Telephone Access Lines and Operating Results
Last Ten Fiscal Years

	2007	2008	2009	2010
Access Lines				
Residential	5,036	4,265	4,099	3,836
Commercial	4,003	3,857	3,459	3,267
Total	9,039	8,122	7,558	7,103
Operating Results				
Operating Revenues				
Local	\$2,854,206	\$2,644,869	\$2,442,452	\$2,274,624
Long Distance	7,745,095	7,449,484	8,163,920	8,644,023
Other	2,874,525	2,914,024	3,177,304	3,527,839
Total Operating Revenues	13,473,826	13,008,377	13,783,676	14,446,486
Operating Expenses				
Operation and Maintenance	6,818,792	6,828,519	7,627,836	6,910,034
Administration and General	2,747,917	2,928,878	3,342,355	3,281,326
Total Operating Expenses	9,566,709	9,757,397	10,970,191	10,191,360
Payment In Lieu of Taxes	148,643	149,770	175,837	194,376
Total Expenses	9,715,352	9,907,167	11,146,028	10,385,736
Net Revenue	\$3,758,474	\$3,101,210	\$2,637,648	\$4,060,750

Table 28

2011	2012	2013	2014	2015	2016
3,653	3,497	3,326	3,313	3,352	3,345
3,404	2,937	2,757	2,550	2,371	2,266
7,057	6,434	6,083	5,863	5,723	5,611
\$2,194,530	\$2,131,351	\$2,100,995	\$2,005,521	\$2,030,655	\$2,082,930
8,591,786	8,399,849	8,660,056	9,259,709	9,413,321	8,927,300
3,714,225	4,055,714	4,480,926	4,895,578	6,058,697	7,453,393
14,500,541	14,586,914	15,241,977	16,160,808	17,502,673	18,463,623
7,077,698	8,070,658	8,556,970	9,043,964	10,101,434	10,642,306
3,594,593	3,483,492	3,369,942	3,630,057	3,806,866	3,740,714
10,672,291	11,554,150	11,926,912	12,674,021	13,908,300	14,383,020
191,027	192,065	206,358	206,358	206,358	206,358
10,863,318	11,746,215	12,133,270	12,880,379	14,114,658	14,589,378
\$3,637,223	\$2,840,699	\$3,108,707	\$3,280,429	\$3,388,015	3,874,245.00

(Un-Audited)

CITY OF KETCHIKAN, ALASKA
Historical Water Customers and Operating Results
Last Ten Fiscal Years

	2007	2008	2009	2010	2011
Customers (Average)					
Residential	2,776	2,769	2,748	2,738	2,743
Apartments	16	18	18	17	17
Commercial	424	422	435	436	442
Industrial	7	7	6	5	5
Cannery	3	3	4	4	5
Fire Hydrant	4	4	6	7	7
Marine Vessels	25	31	29	26	28
Total	3,255	3,254	3,246	3,233	3,247
Operating Results					
Operating Revenues					
Revenues from Water Sales	\$1,926,563	\$2,028,651	\$2,251,001	\$2,535,859	\$2,899,352
Other Operating Revenues	23,185	36,547	71,049	39,608	85,948
Total Operating Revenues	1,949,748	2,065,198	2,322,050	2,575,467	2,985,300
Operating Expenses					
Source of Supply	252,829	261,141	265,409	330,625	232,238
Chlorination/Disinfection	203,440	231,838	247,069	228,238	217,441
Distribution	246,039	255,369	268,791	241,667	238,281
Maintenance	693,646	640,274	639,739	718,571	1,073,567
Administration and General	359,460	447,091	429,465	345,242	470,753
Total Operating Expenses	1,755,414	1,835,713	1,850,473	1,864,343	2,232,280
Payment In Lieu of Taxes	165,527	164,830	175,433	182,146	183,019
Total Expenses	1,920,941	2,000,543	2,025,906	2,046,489	2,415,299
Net Revenue	\$28,807	\$64,655	\$296,144	\$528,978	\$570,001

Table 29

2012	2013	2014	2015	2016
2,727	2,724	2,650	2,647	2,649
20	21	25	27	28
451	444	436	443	454
4	4	3	3	3
4	5	6	5	5
8	8	8	8	8
29	38	34	30	56
3,243	3,244	3,162	3,163	3,203
\$2,935,454	\$3,081,904	\$3,174,900	\$3,453,239	\$3,647,591
48,168	47,024	33,795	48,939	73,882
2,983,622	3,128,928	3,208,695	3,502,178	3,721,473
259,083	450,456	393,529	423,407	393,959
233,871	301,718	311,254	255,398	265,506
413,547	362,562	397,994	409,876	428,975
999,167	1,110,737	957,414	1,174,271	969,767
378,671	411,626	431,446	423,847	426,066
2,284,339	2,637,099	2,491,637	2,686,799	2,484,273
192,669	197,649	197,649	197,649	197,649
2,477,008	2,834,748	2,689,286	2,884,448	2,681,922
\$506,614	\$294,180	\$519,409	\$617,730	1,039,551



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CITY OF KETCHIKAN, ALASKA

Utility Rates and Charges

For the Year Ending December 31, 2016

Electric				
Residential	\$6.70	plus \$0.1006 per kWh		
Harbor service	12.35	plus \$0.1006 per kWh		
Commercial	38.10	plus \$0.0942 per kWh plus a demand charge of \$3.06 per kW in excess of 25 kW this flat fee in effect April through September		
Industrial	56.00	plus \$0.0873 per kWh plus a demand charge of \$3.06 per kW in excess of 25 kW		
Telecommunications				
Residential	16.45	line charge plus \$6.50 for FCC subscriber line charge		
	49.95	DSL Basic (Download Speed 3M and Upload Speed 1M)		
	59.95	DSL Regular (Download Speed 5M and Upload Speed 1M)		
	39.99	IPTV Basic (Does not include \$9.95 for High Definition Service)		
Business	18.95	per single or multi-business line plus \$9.20 for FCC subscriber line charge		
	59.95	DSL Basic (Download Speed 3M and Upload Speed 1.5M)		
	69.95	DSL Regular (Download Speed 5M and Upload Speed 1.5M)		
	49.99	IPTV Basic (Does not include \$9.95 for High Definition Service)		
Customer Premise Visit	35.00	On site visit to customer's premises		
Water				
Residential				
Homes & Trailers	52.05	per unit		
1-4 apartments	52.05	per unit		
5-24 apartments	47.43	per unit		
25+ apartments	40.69	per unit		
Business	54.26	plus size of line charges as follows		
	1 inch	36.16		
	1-1/4 inch	108.50		
	1-1/2 inch	207.98		
	2 inch	377.87		
	2-1/2 inch	585.50		
	3 inch	886.09		
	4 inch	1,505.47		
Industrial		Line Charges	Canneries	
5/8 and 3/4 inch	72.33		Per Season	
1 inch	108.50		5/8 and 1 inch	\$805.24
1-1/4 inch	180.85		1 1/4 inch	1,445.95
1-1/2 inch	282.53		1-1/2 inch	1,930.81
2 inch	431.75		2 inch	5,775.09
2-1/2 inch	655.79			
3 inch	991.17			
4 inch	1,620.70			
6 inch	2,701.22			
8 inch	2,995.07			
Over 8 inch		by special contract		

(Un-Audited)

City of Ketchikan, Alaska
Port Fund Operating Results
Last Ten Fiscal Years

	2007	2008	2009	2010	2011
Assets					
Cash	\$ 8,471,112	\$ 4,939,650	\$ 4,827,125	\$ 4,364,226	\$ 2,373,808
Port Facilities (net)	41,226,714	46,312,527	44,947,620	43,642,947	42,121,390
Construction Work in Progress	3,493,927	832,620	963,018	1,116,782	5,531,746
Restricted Assets	4,743,690	4,215,908	4,819,708	5,307,521	5,623,924
Prepaid Expense		1,002,572	1,019,538	752,856	782,959
Other Assets	560,772	1,100,476	710,905	528,456	2,786,483
Total assets	58,496,215	58,403,753	57,287,914	55,712,788	59,220,310
Liabilities and Net Position					
General Obligation Bonds Payable	1,480,000	1,265,000	1,035,000	795,000	540,000
Revenue Bonds Payable	37,875,000	37,220,000	36,540,000	35,830,000	35,090,000
Other Liabilities	5,130,176	4,191,404	3,147,957	3,134,814	2,847,180
Total liabilities	44,485,176	42,676,404	40,722,957	39,759,814	38,477,180
Net Position	\$ 14,011,039	\$ 15,727,349	\$ 16,564,957	\$ 15,952,974	\$ 20,743,130
Operating Revenues	\$ 7,895,063	\$ 8,839,267	\$ 8,922,228	\$ 8,000,492	\$ 7,986,404
Operating Expenses					
Operation and Maintenance	\$ 1,506,749	\$ 3,653,251	\$ 5,522,050	\$ 5,486,471	\$ 4,110,674
Depreciation	985,775	1,390,850	1,460,265	1,446,527	1,401,754
Payment in Lieu of Taxes/Taxes	102,100	282,770	290,000	295,000	295,000
Total operating expenses	2,594,624	5,326,871	7,272,315	7,227,998	5,807,428
Operating Income	5,300,439	3,512,396	1,649,913	772,494	2,178,976
Non-Operating Revenue (Expense)	(1,697,827)	(1,933,922)	(1,738,365)	(1,917,727)	(1,889,022)
Income Before Contributions, Extraordinary					
Item & Transfers	3,602,612	1,578,474	(88,452)	(1,145,233)	289,954
Contributions	1,864,611	740,672	366,424	14,306	29,536
Capital Grants			559,636	518,944	4,654,981
Extraordinary Item					
Special Item		14,789			
Transfers	(5,572,069)	(617,625)			
Loss on sale of capital assets					(184,315)
Change in Net Position	\$ (104,846)	\$ 1,716,310	\$ 837,608	\$ (611,983)	\$ 4,790,156
Revenue Bond Debt Coverage:					
1.25 x Annual Debt Service	2.75	2.70	2.45	2.00	2.31
1.0 x Annual Debt Service/Reserves					
Account/Repair and Replacement					
Fund/SPH Lease Payments	2.39	1.26	1.13	0.99	1.20
# of Ships	36	37	36	26	28
# of Calls/Stops	499	502	496	429	426
# of Water Passengers	894,216	930,958	926,051	820,914	830,547

Table 31

2012	Restated ¹ 2013	2014	2015	2016
\$ 2,285,517	\$ 2,900,167	\$ 5,504,277	\$ 6,420,791	\$ 7,957,557
47,867,526	53,659,903	54,481,904	52,934,352	52,244,740
5,066,048	5,449,151	200,947	439,032	374,566
6,082,097	6,595,730	8,724,101	7,582,492	7,075,705
1,055,740	1,124,342	1,021,346	1,113,090	1,026,946
3,080,061	5,546,430	2,903,333	3,150,839	3,316,606
65,436,989	75,275,723	72,835,908	71,640,596	71,996,120
270,000	-	-	-	-
34,315,000	33,505,000	32,660,000	31,775,000	27,025,000
1,072,313	1,699,380	860,042	1,275,821	5,362,008
35,657,313	35,204,380	33,520,042	33,050,821	32,387,008
\$ 29,779,676	\$ 40,071,343	\$ 39,315,866	\$ 38,589,775	\$ 39,609,112
\$ 8,592,255	\$ 9,145,920	\$ 8,578,059	\$ 9,032,271	\$ 8,961,241
\$ 4,031,100	\$ 4,582,100	\$ 4,726,515	\$ 4,636,079	\$ 4,916,988
1,359,513	1,636,863	1,587,253	1,589,941	1,605,242
295,000	319,000	319,000	319,000	319,000
5,685,613	6,537,963	6,632,768	6,545,020	6,841,230
2,906,642	2,607,957	1,945,291	2,487,251	2,120,011
(1,794,603)	(1,740,642)	(1,581,717)	(1,571,163)	(1,713,125)
1,112,039	867,315	363,574	916,088	406,886
2,018,165	1,993,212	2,491,297	70,425	16,004
6,214,416	8,676,543	4,407,753	277,647	654,642
				359,246
(8,178)	(80,199)	(5,018,804)	(1,619,258)	19,258
	(1,165,204)	(2,999,297)	(27,082)	(436,699)
\$ 9,336,442	\$ 10,291,667	\$ (755,477)	\$ (382,180)	\$ 1,019,337
3.36	3.48	3.49	2.71	2.67
1.67	1.63	1.64	1.28	1.23
34	31	37	38	38
467	456	468	496	489
885,799	938,124	877,589	934,772	935,928



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THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

**Department of
Administration**

DIVISION OF RETIREMENT AND BENEFITS

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Toll-Free: (800) 821-2251

June 26, 2017

Mr. Bob Newell, Finance Director
City of Ketchikan
Finance Department
334 Front Street
Ketchikan, AK 99901

Dear Mr. Newell,

Thank you for your inquiry on the June 30, 2016 allocation of the Alaska Public Employees' Retirement System (PERS) for the Net Pension Liability (NPL). You had inquired about the issue date of the "PERS Schedules of Employer and Nonemployer Allocations and Schedules of Pension Amounts by Employer and Nonemployer, June 30, 2016 and 2015".

Currently, the Division of Retirement & Benefits is in the final stages of completion of our audit of the schedules prepared by our consulting actuary, Conduent Human Resource Services (formerly Buck Consultants). The Division anticipates that the final audit report will be available on June 28, 2017. I apologize for the delay.

Please contact me at (907) 465-5703 if you have any questions. I can also be reached at Kevin.Worley@alaska.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Kevin T. Worley".

Kevin T. Worley
Chief Financial Officer

DISCLAIMER: The information contained in this letter is based on the specific facts and circumstances presented and cannot be applied to other facts and circumstances. This letter may contain a summary description of benefits, costs, rates, valuations, other calculations, policies or procedures for one or more pension or benefit plans administered by the Division of Retirement and Benefits, including but not limited to, the Public Employees' Retirement System, the Teachers' Retirement System, the Judicial Retirement System, the Supplemental Annuity Plan, the Deferred Compensation Plan, the AlaskaCare Employee Health Plan, or the AlaskaCare Retiree Benefit Plan. The Division of Retirement and Benefits has made every effort to ensure, but does not guarantee, that the information provided is accurate and up to date. Where this letter conflicts with the relevant Plan Document, the Plan Document controls.

CONFIDENTIAL INFORMATION - SUBJECT TO PROTECTIVE ORDER
BEFORE THE FEDERAL COMMUNICATIONS COMMISSION

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